

State and Federal Applications for Renewal of the Trans Alaska Pipeline System

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Notice on Revisions

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PHILLIPS Transportation Alaska, Inc.

RECEIVED
JOINT PIPELINE OFFICE

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ANCHORAGE, ALASKA 99510-0360
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Margaret A. Yaege
President

APR 30 2001

Mr. Pat Pourchot
Commissioner
Alaska Department of Natural Resources
400 Willoughby Avenue
Juneau, Alaska 99801

Mr. William G. Britt, Jr.
State Pipeline Coordinator
411 West 4th Avenue
Suite 2
Anchorage, Alaska 99501

Re: Renewal Of TAPS Lease And Associated Rights

Gentlemen:

Phillips Transportation Alaska, Inc. ("Phillips Transportation") owns an undivided interest in the May 3, 1974 Right-of-Way Lease for the Trans-Alaska Pipeline ("TAPS Lease") and other rights associated with the TAPS Lease ("Associated Rights"). The TAPS Lease provides that it will (and accordingly the Associated Rights will) remain in full force and effect until 12:00 noon on May 2, 2004, and "[t]he Commissioner shall renew the Lease [and Associated Rights] . . . so long as the Pipeline is in commercial operation and the Lessees are in full compliance with State law, including but not limited to State law pertaining to regulation and taxation of the Pipeline." TAPS Lease §2(c).

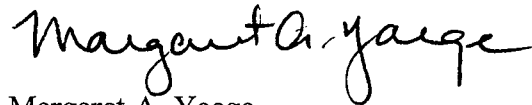
Phillips Transportation, in coordination with the other undivided interest owners of the TAPS Lease and Associated Rights ("Other TAPS Owners"), applies for renewal of the TAPS Lease and Associated Rights. See Line Lists at Tab 1A-1C in Volume 2. Phillips Transportation seeks renewal of the TAPS Lease and Associated Rights for the maximum period authorized by law on the same terms as those set out in the TAPS Lease and Associated Rights.

Included with this application are materials to assist you in making your renewal determination. See the Right-of-Way Leasing Act at AS 38.35.110 and the Pipeline Right-of-Way Leasing regulations at 11 AAC 80.075. That material includes information (i) pertaining to commercial operations (Commercial Operations Tab of this Volume) and compliance with State law and lease terms (Compliance Tab of this Volume) and (ii) provided to the Bureau of Land Management in conjunction with renewal of the Federal Agreement and Grant of Right-of-Way for the Trans-Alaska Pipeline (Federal ROW Renewal Application Submittal Tab of this Volume and Vols. 2 and 3).

Mr. Pat Pourchot
Mr. William G. Britt, Jr.
Page 2

As you know, Phillips Transportation and the Other TAPS Owners have established a Right-of-Way Renewal Team to work with the State of Alaska, the Federal Government, and stakeholders in renewing the TAPS Owners' rights. W. Steven Jones, Project Manager of the TAPS Right-of-Way Renewal Team, will serve as our on Right-of-Way Renewal matters. Please direct all correspondence and notifications to W. Steven Jones.

Very truly yours,

A handwritten signature in black ink, reading "Margaret A. Yaeger". The signature is written in a cursive style with a large, stylized "M" and a long, sweeping tail on the "g".

Margaret A. Yaeger

Commercial Operation

**TAPS Oil Movements Historical Data
Reporting for December 2000**

The attached operations reports depict TAPS oil movements. Throughout the day, the Operations Control Center at the Valdez Marine Terminal receives data from metering systems that are located at Pump Station 1, Golden Valley Electric Association, Petro Star Valdez Refinery and Valdez Marine Terminal. Every 24 hours the data is compiled and transmitted to Anchorage.

The first page of the attachment, known as the OMH-2A report, shows the daily ending volume (measured in barrels) in the tanks at Pump Station 1, as well as the daily tankage change. The output number (reflected in the "Output" column) either adds or subtracts the tankage change to the total metered volume from the Producers to determine the actual volume which entered the pipeline.

The second page of the attachment, known as the OMH-3C report, shows the daily data pertaining to oil movements at Valdez. It reflects the volume (measured in barrels) that flows through the incoming meters from the pipeline and the volume loaded onto vessels by berth, together with (in the "Valdez Loadings" column) loadings from all berths.

VALDEZ OIL MOVEMENTS	
TO R I C A L	T A T P U M P S T A T I O N S
1	RELIEF TANK
VEI	1,354-
3.7	150.796
3.7	149.805
3.6	157.995

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DATE: 01/05/

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4-781-30-30

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YANG — 926

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RCA Tariff Materials

CORRECTED NOTICE OF TARIFF FILINGS BY TRANS ALASKA PIPELINE CARRIERS

The REGULATORY COMMISSION OF ALASKA gives notice that each of the seven Trans Alaska Pipeline System (TAPS) carriers has filed tariff revision(s) as listed below. The carriers request an effective date of January 1, 2001, for the filings.

CARRIER	REVISED RATES	QUALITY BANK
Amerada Hess Pipeline Corporation (Amerada)	TL75-300	TL74-300
BP Pipelines (Alaska) Inc. (BP)	TL78-311	TL79-311
Exxon Pipeline Company (Exxon)	TL94-304	TL93-304
Phillips Alaska Pipeline Corporation (Phillips)	TL82-310	TL83-310
Phillips Transportation Alaska, Inc. (PTAI)	TL76-301	TL77-301
Unocal Pipeline Company (Unocal)	TL69-312	TL68-312
Williams Alaska Pipeline Company (WAPCO)	TL74-308	TL75-308

Following is a summary of the presently assessed and the proposed intrastate tariff rates per barrel for general transportation of Sadlerochit, Kuparuk, Lisburne, and Endicott petroleum through the TAPS.

	Prudhoe Bay to North Pole		Prudhoe Bay to Valdez Marine Terminal		Prudhoe Bay to PetroStar Connection at Valdez	
	Present	Proposed	Present	Proposed	Present	Proposed
AMERADA (TL74-300)	\$1.52	\$2.08	\$2.55	\$3.40	\$2.53	\$3.35
BP (TL78-311)	\$1.61	\$1.61	\$2.61	\$3.54	\$2.55	\$3.52
EXXON (TL94-304)	\$1.95	\$2.15	\$3.22	\$3.85	\$3.20	\$3.67
PHILLIPS (TL82-310)	\$1.74	\$2.23	\$2.81	\$3.64	\$2.80	\$3.62
PTAI (TL76-301)	\$1.97	\$2.23	\$3.20	\$3.83	\$3.15	\$3.62
UNOCAL (TL69-312)	\$1.84	\$2.40	\$2.95	\$3.83	\$2.87	\$3.91
WAPCO (TL74-308)	\$1.85	\$2.14	\$3.02	\$3.48	\$3.01	\$3.45

All the carriers propose to decrease the Quality Bank Gravity Differential Value per Barrel from \$0.0194 to \$.0167 per one-tenth degree API gravity.

Detailed information may be obtained from the TAPS carriers at the following addresses.

Amerade	- c/o Albert S. Tabor, Jr., Vinson & Elkins L.L.P., 2300 First City Tower, 1001 Fannin Street, Houston, TX 77002-8760
PTAI	- 700 G Street, Rm 919 Anchorage, AK 99501
BF	- 900 East Benson Blvd., P.O. Box 190848, Anchorage, AK 99519-0848
Exxon	- P. O. Box 2220, Houston, TX 77252-2220
Williams	- Dorsey & Whitney LLP, 1031 W. 4 th Ave., Suite 600, Anchorage, AK 99501
Phillips	- Guess & Rudd, 510 L Street, Suite 700, Anchorage, AK 99501
Unocal	- 909 W. 9 th Street, Anchorage AK 99501

The Commission may approve a rate or classification which varies from those proposed. To the extent allowed by law, you may inspect the filings at the Commission's offices at 1016 West Sixth Avenue, Suite 400, Anchorage, Alaska 99501.

To comment on these filings, please file your comments by December 22, 2000, and include a statement that you've filed a copy of the comments with the TAPS carriers. If you need a special accommodation to make your comments, please contact Georgann Joy at 263-2107/TTY: 276-4533 by December 15, 2000.

DATED at Anchorage, Alaska, this 14th day of December, 2000.

REGULATORY COMMISSION OF ALASKA


G. Nanette Thompson
Chair

FERC Tariff Materials

F. E. R. C. NO. 5
(Cancels F.E.R.C. NO. 3)

PHILLIPS TRANSPORTATION ALASKA, INC.

LOCAL TARIFF

Containing
RATES

Governing
THE TRANSPORTATION

of
PETROLEUM

by
PIPELINE

FROM

TRANS ALASKA PIPELINE SYSTEM PUMP STATION NO. 1
TO
VALDEZ, ALASKA

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OFFICE OF THE SECRETARY
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FEDERAL ENERGY
REGULATORY
COMMISSION

GENERAL APPLICATION

Carrier will receive Petroleum for transportation through its own Pipeline and deliver to marine vessels at its Valdez Terminal Alaska governed by Phillips Transportation Alaska, Inc.'s rules and regulations Tariff F. E. R. C. No. 2 and by supplements thereto or reissued thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

ISSUED: December 1, 2000

EFFECTIVE: January 1, 2001

ISSUED BY
Edward R. Hendrickson
Vice-President, Controller & Treasurer
Phillips Transportation Alaska, Inc.
700 G Street, ATO-920
Anchorage, Alaska 99501

COMPILED BY
Bernard W. Washington
Tariff Coordinator
Phillips Transportation Alaska, Inc.
700 G Street, ATO-996
Anchorage, Alaska 99501
Phone 907-263-3703

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RATE TABLE

Transportation rate in dollars per barrel of 42 United States Gallons, on the transportation of PETROLEUM in interstate commerce from the established receiving station to the established delivery place at locations named below:

FROM	TO	SOURCE	RATE
Trans Alaska Pipeline System Pump Station No. 1	Valdez, Alaska	Prudhoe Bay	\$3.63 [I]
		Kuparuk	\$3.63 [I]
		Liaburne	\$3.63 [I]
		Endicott	\$3.63 [I]

GATHERING RATE: The above rate covers transportation by trunk line only and no gathering service will be performed under this tariff.

The rate indicated is exclusive of any amounts required or allowed by applicable law or regulation including but not limited to the amount collected for the System Liability Fund (Item No. 17 of F. E. R. C. No. 2) and/or any penalties which may be incurred pursuant to the terms of Item 7 of F. E. R. C. No. 2.

EXPLANATION OF REFERENCE MARKS

[I] Increase Rate

F.E.R.C. NO. 2 Supplement No. 1	
PHILLIPS TRANSPORTATION ALASKA, INC. LOCAL TARIFF	
Containing RULES AND REGULATIONS	
Governing THE TRANSPORTATION	
of PETROLEUM	
by PIPELINE	
THROUGH TRANS ALASKA PIPELINE SYSTEM TO VALDEZ, ALASKA	
GENERAL APPLICATION	
<p>The rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.</p> <p>The provisions published herein will, if effective, not result in an effect on the quality of the human environment.</p>	
ISSUED: December 1, 2000	EFFECTIVE: January 1, 2001
ISSUED BY Edward R. Hendrickson Vice-President, Treasurer & Controller Phillips Transportation Alaska, Inc. 700 G Street, ATO-920 Anchorage, AK 99501	COMPILED BY Bernard W. Washington Tariff Coordinator Phillips Transportation Alaska, Inc. 700 G Street, ATO-916 Anchorage, Alaska 99501 Phone 907-263-3703

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EXPLANATION OF REFERENCE MARKS

- [C] Cancelled
- [D] Decreased Rate
- [N] New
- [U] Unchanged Rate
- [W] Change in wording only

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RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
1.	Definition	<p>"Actual Arrival Time" means the time according to Valdez, Alaska, local time that a vessel communicates to the Operator its readiness to commence loading after entering the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Barrel" means forty-two United States gallons.</p> <p>"Base Fluctuation" is the daily increase or decrease to Fixed Base Inventory as a result of pipeline operations resulting from such things as temperature, flow rate or pressure changes</p> <p>"Base Inventory" as herein used means Fixed Base Inventory adjusted for any increase or decrease in the Base Fluctuation.</p> <p>"Carrier" means Phillips Transportation Alaska, Inc.</p> <p>"Carrier Work Day" means a regularly scheduled workday for Carrier.</p> <p>"Consignee" means anyone that a shipment, or a portion of a shipment, is consigned to when delivered from the Pipeline.</p> <p>"Day" means the period of time commencing at 0000 hours on one day and running until 2400 hours on the same day according to Valdez, Alaska, local time.</p> <p>"Excess Shipper" is a Shipper that has a volume of Petroleum in the custody of the Carrier that exceeds 100 percent of Shipper's Working Tankage Entitlement at the beginning of the Day for which the Carrier is assessed a penalty. The excess is computed by taking the Shipper's share of Total Inventory barrels less Shipper's share of Base Inventory less Shippers Working Tankage Entitlement.</p> <p>"Fixed Base Inventory" as herein used means the standard total volume of Petroleum in System's pipeline base inventory and terminal tankage base inventory that has not been adjusted for any Base Fluctuation and excludes Petroleum in fuel tanks and in Working Capacity.</p> <p>"Month or Monthly" means a calendar month commencing at 0000 hours on the first Day thereof and running until 2400 hours on the last Day thereof according to Valdez, Alaska, local time.</p> <p>"100-Barrel Mile Deliveries" as herein used means the number of Barrels of Petroleum delivered out of the System multiplied by the number of miles each such Barrel was transported, divided by 100.</p> <p>"Operator" means the contract operator of the Trans Alaska Pipeline System.</p> <p>"Operator Business Day" means a regularly scheduled workday for Operator's scheduling department.</p> <p>"Owner(s)" refers to the seven owners of undivided interests in the Trans Alaska Pipeline System.</p> <p>"Petroleum" means unrefined liquid hydrocarbons including gas liquids.</p> <p>"Pipeline" means Carrier's undivided interest ownership in the Trans Alaska Pipeline System.</p> <p>"Port Information Manual" means the manual governing vessel characteristics, required equipment and operation of vessels arriving to lift Petroleum at Valdez,</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
	(Continued)	Alaska. Copies of the Port Information Manual are available upon written request.
	Definition	<p>"Prospective Shipper" means a person tendering Petroleum for transportation through the Pipeline whose tender has not yet been accepted by Carrier.</p> <p>"Scheduled Arrival Day" means the Day stated in a lifting schedule that a vessel is scheduled to enter the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Shipper" means anyone who ships Petroleum through the Pipeline.</p> <p>"Shipper's Accepted Tender Percentage" is the ratio (expressed as a percentage to two decimal places, XX.XX%) that the shipper's daily accepted tender, bears to the total daily accepted tenders for all shippers.</p> <p>"Shipper's Working Tankage Entitlement" is equal to the Shipper's Accepted Tender Percentage of the Carrier's Working Capacity.</p> <p>"System" means the Trans Alaska Pipeline System.</p> <p>"Total Inventory" is all inventories in tanks and pipeline at any given time including both Base Inventory and Working Inventory.</p> <p>"Working Capacity" is the total capacity of all operational Terminal Tankage for the handling of Petroleum at Valdez, Alaska, pending delivery out of the system into vessels, between 2'6" above the bottom of the each tank shell and 3'9" below the top of each tank shell, less the capacity, as determined by the Operator, required to receive the volume of Petroleum which should be moved out of the System to prevent internal pressure in the pipeline from exceeding design limits in the event its operation should be shut down.</p> <p>"Working Inventory" means the volume of Petroleum derived by taking Total Inventory less Base Inventory at any given time. It is part of Working Capacity.</p>
2.	Title	The act of delivering Petroleum to Carrier for transportation shall constitute a warranty by Shipper that Shipper or Consignee has unencumbered title thereto and that the same was produced in accordance with all applicable laws and regulations.
3.	Quality and Intermixing of Petroleum	<p>Only Petroleum will be accepted for transportation in the Pipeline. All Petroleum transported through the Pipeline will be intermixed with other Petroleum shipments and shall be subject to such changes in gravity, quality and other characteristics as may result from such intermixing. No Shipper or Consignee shall be entitled to receive the identical Petroleum delivered into the Pipeline. Delivery shall be out of the commingled stream or common stock.</p> <p><u>Quality Adjustments.</u></p> <p>Shippers shall be debited and/or credited for all adjustments as provided for in this item with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all Shippers in TAPS by collecting funds from those Shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the Shippers (including Shipper, if applicable) having credit balances. In the</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
		<p>event of delay in collection or inability to collect from one or more Shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed <u>pro rata</u> to Shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.</p>
3.	(Continued)	(a) Methodology.
	Quality and Intermixing of Petroleum	<p>Shipper authorizes Carrier or its designee to compute adjustments among all Shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Item.</p> <p>The procedures for making Quality Bank calculations and determining Quality Bank adjustments among Shippers are specified in detail in this Item, as supplemented by the TAPS Quality Bank Methodology set forth in Carrier's Tariff F.E.R.C. No. 7, supplements thereto, and successive issues thereof, which are incorporated herein by reference.</p> <p>As prescribed in the TAPS Quality Bank Methodology, at the close of each Month Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:</p> <ol style="list-style-type: none"> 1. Pump Station No. 1 Adjustment - An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows: <ol style="list-style-type: none"> (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology. (ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No. 1 during that Month. (iii) If the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month. (iv) If the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
		credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.
3. (Continued)	Quality and Intermixing of Petroleum	<p>2. Connection Adjustment - An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:</p> <ul style="list-style-type: none"> (i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology. (ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month. (iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month. (iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month. <p>3. Valdez Terminal Gravity Adjustment - An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:</p> <ul style="list-style-type: none"> (i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper. (ii) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
		of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.
3. (Continued)	Quality and Intermixing of Petroleum [W] [D]	<p>(III) For the period from January 1, 2001, through June 30, 2001, the Gravity Differential Value Per Barrel is established at \$0.0167 for each one-tenth degree API Gravity (0.1° API).</p> <p>(b) General Provisions.</p> <p>In addition to the adjustments described in this Item, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among Shippers under this Item.</p> <p>In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all Shippers who made such payments.</p> <p>All payments due from Shipper under this Item shall be made by Shipper within 20 Days of receipt of each accounting and, for any delay in payment beyond such 20 Day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N. A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting.</p> <p>If Shipper fails to make payment due hereunder within 30 Days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such 30 Day period any Petroleum of Shipper in its custody. Such auction may be held on any Day, except a legal holiday, and not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.</p> <p>Carrier and its designee are authorized by Shipper to receive through measurement, connecting Carriers or otherwise all information and data necessary to make the computations under this Item. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other Carriers or other persons, any additional information and data necessary to make the computations under this Item. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under this Item.</p> <p>The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.</p> <p>Adjustment payments and administrative costs in this Item are not a part of</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
		Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.
3.	(Continued) Quality and Intermixing of Petroleum	Carrier has right to refuse Petroleum for transportation if (i) it is unsuitable for refining or use as a fuel or contains more than thirty-five one hundredths of 1% (0.35%) by volume of basic sediment and water, (ii) its temperature exceeds 142° F, provided that Petroleum may be accepted for transportation at any point in the System at a temperature in excess of 142° F but only under such circumstances and during such times as Carrier hereunder determines will not result in violation of any design or operating requirement for the System at any point in the System or result in inequities or discrimination as between Carriers or Shippers, (iii) its hydrogen sulfide (H ₂ S) content in solution exceeds 50 parts per million by weight, and (iv) it will result in the calculated combined stream of Petroleum in the System at any given entry point or any given time exceeding ten (10) parts per million hydrogen sulfide (H ₂ S) content in solution by weight, or the vapor pressure of such combined stream exceeds the greater of atmospheric pressure or 14.7 psia at receipt temperature, and (v) assay analysis of the Petroleum has not been provided at least sixty (60) Days in advance of initial receipt to determine that such Petroleum is compatible with other Petroleum being transported (Carrier will notify the Prospective Shipper of the evaluation of the assay analysis and acceptance or non-acceptance of the Petroleum within forty (40) Days of the receipt of the analysis).
4.	Nomination Policy and Proration Procedures	<p>I. Nomination of Tenders</p> <p>A. Good-faith nominations will be received and considered for acceptance only if they conform in full to Phillips Transportation Alaska, Inc.'s requirements. To maintain equity among Shippers and to ensure equitable application of proration when proration shall be required, Phillips Transportation Alaska, Inc. does not permit over-tendering. When considering tenders for acceptance and proration, Phillips Transportation Alaska, Inc. reserves the right to revise, reduce or reject a tender if acceptance of Shipper's tender in the form provided would adversely effect the rights of other Shippers to equitable and fair treatment.</p> <p>Such adverse effect includes, but is not limited to, the following acts or omissions:</p> <ol style="list-style-type: none"> 1. Shipper offering more oil for transportation than that to which it has title or than it plans to ship. 2. Shipper fails upon request to demonstrate satisfactorily that it currently has unencumbered title to the oil being tendered. 3. Shipper has failed to make timely payment for previous shipments. 4. Shipper has tendered the same oil currently being tendered to Phillips Transportation Alaska, Inc. to another TAPS Carrier or Carriers and has been accepted provisionally or otherwise or is being considered for acceptance provisionally or otherwise by another TAPS Carrier or Carriers.

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
4. (Continued)	Nomination Policy and Proration Procedures	<p>5. Shipper individually or through the use of multiple related entities, tenders oil in excess of Phillips Transportation Alaska, Inc.'s Available Capacity (as defined in Item II.A).</p> <p>6. Employment of schemes or devices to over-tender will be deemed to be grounds for rejection of the over-tendering Shipper's entire tender for the Tender Period (as defined in Item I.B.).</p> <p>7. Shipper declines to provide without exclusion or limitation certification of compliance with Phillips Transportation Alaska, Inc. Rules and Regulations. The form of the required certification shall be communicated to Shippers by Phillips Transportation Alaska, Inc.</p> <p>8. Shipper has failed (unless such failure is because of reasons beyond Shipper's control) to provide Phillips Transportation Alaska Inc. with all required information in a timely manner.</p> <p>B. Nominations will be considered for acceptance only if received by Phillips Transportation Alaska, Inc.'s office no later than noon, Anchorage, Alaska local time, on the 3rd Carrier Work Day of each Month ("Nomination Day"). Nominations received by the deadline ("Initial Nominations") will cover the ensuing one-month period that begins on the first Day of the next successive calendar Month following the Nomination Day ("Tender Period"). Phillips Transportation Alaska, Inc. will notify Shippers of their allocated space prior to noon, Anchorage, Alaska local time, on the next successive Carrier Work Day following the Nomination Day.</p> <p>All nominations will be submitted by facsimile transmission to:</p> <p>Phillips Transportation Alaska, Inc. Attention: Oil Movements Coordinator 700 G Street Anchorage, Alaska 99501 Telephone: (907) 263-3760 Facsimile: (907) 263-3751</p> <p>Phillips Transportation Alaska, Inc. does not accept responsibility for nominations sent but not received. It is the Shippers responsibility to confirm receipt via telephone.</p> <p>C. Nominations received after the deadline set forth in Item I.B. will be considered revised nominations. A revised nomination that increases the number of nominated barrels is known as an "Increased Nomination". A revised nomination that reduces the number of nominated barrels is known as a "Decreased Nomination".</p> <p>D. Phillips Transportation Alaska, Inc. will accept an Increased Nomination only after Operator determines that the additional Barrels shipper proposes to tender (or, if shipper has not previously nominated Barrels for the month, the Barrels shipper nominates) are not nominated to another carrier.</p>

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
4.	(Continued)	
	Nomination Policy and Proration Procedures	<p>E. Phillips Transportation, Alaska, Inc. will accept a Decreased Nomination only after Operator determines that the Barrels Shipper proposes not to tender to Carrier are properly nominated to another Carrier.</p> <p>F. A revised nomination will be effective at 0000 hours on the later of (a) the Day shipper indicates in its nomination or (b) a Day that begins after six Operator Business Days have elapsed since Carrier accepted the nomination. Carrier will notify Shipper when Carrier accepts Shipper's revised nomination and when the revised nomination will become effective.</p> <p>G. Shipper may not nominate the same Barrels of Petroleum to Carrier and to another carrier. If as of 2400 hours of the 15th day of a Month (or, if that Day is not an Operator Business Day, then of the first Operator Business day thereafter), Operator determines that Shipper has nominated to another Carrier Barrels that Carrier has accepted for the coming Month, Carrier will reduce Shipper's nomination to Carrier by the number of Barrels that Carrier accepted that were also nominated to another carrier.</p> <p>H. No person or entity may deliver to the Pipeline Petroleum that has not been nominated to and accepted by Carrier or another carrier. If by 2400 hours of the 15th Day of a Month (or, if that Day is not an Operator Business Day, then of the first Operator Business Day thereafter) there is Petroleum scheduled to be delivered to the Pipeline in the coming Month that has not been nominated and accepted by Carrier or another carrier, Operator will notify the owner of such Petroleum at least one Operator Business Day before the deadline by which such crude owner must nominate the Petroleum to Carrier or another carrier that has available capacity through a revised nomination. If, notwithstanding Operator's notice, the Petroleum is not nominated but is delivered to the Pipeline, such Petroleum shall be deemed to be the property of Carrier and the other carriers, and the prior crude owner shall have no interest in the Petroleum.</p> <p>II. Available Pipeline Capacity</p> <p>A. Phillips Transportation Alaska, Inc.'s available capacity ("Available Capacity") is Phillips Transportation Alaska Inc.'s Pipeline ownership interest in the total estimated pipeline capacity of TAPS plus or minus the adjustment capacity for the applicable Tender Period. Adjustment capacity is an adjustment made to balance Carrier's actual shipments to Carrier's actual pipeline capacity.</p> <p>B. If the total of all tenders received is less than Phillips Transportation Alaska, Inc.'s Available Capacity in the Tender Period, all tenders are accepted in full, except that the acceptance of a tender for intrastate movement may be limited to a percentage of the total oil being tendered by the Shipper to all TAPS Owners for the specific intrastate movement in accordance with Item III. A.</p> <p>C. After acceptance of tenders, Phillips Transportation Alaska, Inc. will advise its Shippers of the amount of remaining capacity available ("Remaining Capacity"). If more nominations are received than Remaining Capacity, all timely nominations will be prorated after the time and date specified. However, Phillips Transportation Alaska, Inc. may only accept that portion of a tender for Remaining Capacity from an</p>

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
		Intrastate Shipper subject to the terms as set forth in Item III.A.
4. (Continued)	Nomination Policy and Proration Procedures	<p>D. If an accepted tender is withdrawn or partially withdrawn at a later date, Phillips Transportation Alaska, Inc. will notify all its Shippers of the capacity made available by such withdrawal ("Returned Capacity") and will seek further tenders. Tenders for this Returned Capacity will be accepted until the close of the period specified in the notification message. Phillips Transportation Alaska, Inc. will accept tender for Returned Capacity from an Intrastate Shipper subject to the terms as set forth in Item III.A. If more nominations are received than Returned Capacity, all timely nominations will be prorated after the time and date specified.</p> <p>E. If, subsequent to acceptance of tenders, Phillips Transportation Alaska Inc.'s capacity in TAPS is increased for any reason, Phillips Transportation Alaska, Inc. will advise all its Shippers of such change. Changes of tenders will be subject to the same terms as set forth in Item II.D.</p> <p>F. If, subsequent to acceptance of tenders, Phillips Transportation Alaska, Inc.'s capacity is decreased for any reason, Phillips Transportation Alaska, Inc. will recalculate prorations based on original tenders and notify shippers of revised acceptances.</p> <p>G. Tender Substitutions</p> <p>Phillips Transportation Alaska, Inc. does not permit a full or partial transfer or a full or partial assignment of confirmed tenders among Shippers.</p> <p>In cases where a Shipper is unable to deliver the expected tender of Petroleum from any source, it may substitute its own Petroleum from another source that meets transportation requirements up to the total amount of space for which it previously has received acceptance.</p> <p>H. Prior to noon, Anchorage Alaska local time, on the 3rd Carrier Work Day of each month, Carrier will notify each prospective Shipper of its Available capacity. Any prospective Shipper may obtain this information By request to the Oil Movements Coordinator as set out in Item 1.B.</p> <p>III. Intrastate Shipments</p> <p>A. Any Shipper tendering for intrastate shipment in Phillips Transportation Alaska, Inc. is required to advise the total volume being tendered to all TAPS Carriers for each intrastate movement for the Month being tendered.</p> <p>1. If tenders by Shippers to Phillips Transportation Alaska, Inc. exceed Phillips Transportation Alaska, Inc.'s Available Capacity for the Tender Period, the maximum amount of any intrastate Shipper's tender that may be accepted is the Carrier's Pipeline ownership percent of the total volume of oil being tendered to all TAPS Carriers by that Shipper for that specific intrastate movement during the Tender Period.</p>

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
4.	(Continued) Nomination Policy and Proration Procedures	<p>2. Phillips Transportation Alaska, Inc. shall have the option to accept from any intrastate Shipper tenders in excess of the Pipeline ownership interest of that Shipper's total tenders to all TAPS Carriers for that particular intrastate movement when Phillips Transportation Alaska, Inc. would otherwise have unused capacity.</p> <p>IV. Proration Policy</p> <p>A. If the total of all tenders received is greater than Phillips Transportation Alaska, Inc.'s Available Capacity in the Tender Period, a tender for intrastate movement will be limited to a percentage of the total oil being tendered by the Shipper to all TAPS Owners for the specific intrastate movement in accordance with item III.A and interstate movement will be allocated to the balance of the capacity after the intrastate movement by prorating among all Shippers in the proportion that each Shipper's interstate tender bears to the total of all interstate tenders being reviewed.</p>
5.	Scheduling of Receipts	<p>Shippers and Prospective Shippers shall promptly provide Carrier with all essential information, including the origin and delivery points, for Carrier to schedule such proposed shipments of Petroleum; to satisfy Carrier that offers to ship are in good faith; and to satisfy Carrier that shipments can be transported in conformance with Carrier's tariff. Carrier may refuse to receive Petroleum for transportation until such Shipper or Prospective Shipper has provided Carrier with such information.</p> <p>Scheduled receipts from Shipper shall not be subject to change except with written or telegraphic notice from Shipper at least two (2) Days prior to date of scheduled receipt of Petroleum.</p> <p>Shipper may not assign to any other Shipper or Prospective Shipper, or otherwise alter, a scheduled shipment, if the effect of such action would be to shorten the originally scheduled length of haul, except as provided in Item No. 19 of this tariff.</p> <p>In the event Shippers offer to ship more Petroleum through the Pipeline during any period of time than can be pumped through the Pipeline during such period, then Carrier shall accept and transport, during such period, only that portion of each good-faith offer to ship which Carrier shall determine to be equitable to all Shippers pursuant to the Nomination Policy.</p>
6.	Shipper Receipt and Delivery Facilities	Carrier will determine and advise Shipper of the facilities to be provided by the Shipper at any receipt or delivery location to meet the operating conditions of Carrier's facilities at such location. Carrier will not accept Petroleum for transportation unless such facilities have been provided.

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
7.	Scheduling and Use of Terminal and Penalty Provisions	<p>A. Schedule for Tanker Lifting</p> <ol style="list-style-type: none"> Each Thursday by 0800 hours Anchorage, Alaska local time, Shipper shall provide written notice four weeks in advance of the volume of Petroleum to be transported for the ensuing one Month period, and shall promptly notify Carrier of any proposed changes in its shipping schedule. The scheduling of vessels at Valdez, Alaska, will be accomplished by the Operator, taking into account proposed liftings with respect to Petroleum in the custody of Owners, including Carrier. If there are more proposed liftings than can be accommodated and such conflicts cannot be resolved voluntarily between the conflicting Owners, Operator will resolve such conflicts in accordance with the rules provided for in A.2.a. below. After resolution of all conflicts in accordance with these rules, the Lifting Schedule then established shall be issued to each Owner. <ol style="list-style-type: none"> Vessels shall be assigned dock space by Operator in the order of Actual Arrival Time. Provided, however, that (1) adequate and appropriate inventories designated for lifting by such vessel have been established, and (2) if in the Operator's prudent judgment such prioritization will optimize System deliveries. Each Vessel shall dock when and as instructed by Operator. If any Vessel is unable to dock when instructed, Operator shall dock the next Vessel waiting to be docked based on the order of dock assignment until the Vessel that was unable to dock is able to dock. <p>B. Changes in Lifting Schedule</p> <ol style="list-style-type: none"> Subject to the scheduling priority rules set forth in A.2.a. above, changes may be made to the lifting schedule by any Shipper upon written notice delivered to Carrier at least seven (7) Days in advance of a scheduled lifting. Changes on less than seven (7) Days written notice may be made only in accordance with the following rules: <ol style="list-style-type: none"> Vessel substitutions may be made by notice to the Carrier provided such substitution will not adversely affect the scheduled liftings of Petroleum in the custody of any Owner, including Carrier, and the substituted vessel complies with the Port Information Manual. Any other changes may be made provided: <ol style="list-style-type: none"> the requested change will not affect the scheduled liftings of Petroleum in the custody of any Owner(s), including Carrier, unless the prior written consent of such Owner(s) is obtained, and the requested change will not, based on the lifting schedule, result in a projected Working Inventory in excess of 75 percent of Working Capacity within the next seven (7) Days or aggravate a Working Capacity condition which is already above such inventory level.

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
7.	(Continued)	C. Penalty Charges
	Scheduling and Use of Terminal and Penalty Provisions	<p>1. Carrier is subject to the payment of a penalty, "Penalty Charge", of twenty (20) cents per Day per Barrel on each gross (including sediment and water) Barrel by which Carrier's Working Inventory exceeds Carrier's Working Capacity if, at the beginning of any Day, Working Inventory equals or exceeds 75 percent of Working Capacity.</p> <p>The number of Barrels subject to penalty is reduced by:</p> <p>a. the number of Barrels scheduled to be lifted by a vessel which has established an Actual Arrival Time at the beginning of any Day the penalty is applied, but is unable to dock because the passage through the Prince William Sound or Valdez Arm is closed to shipping due to an event or condition not within the control of the Owner incurring the penalty, and by</p> <p>b. the number of Barrels scheduled to be lifted by a vessel which has docked but is unable to lift at the beginning of any Day (i) due to any act or omission of Operator or (ii) due to any local event or condition of general application not within the control of Operator, the Owner scheduling such Vessel (on behalf of a Shipper) or any person responsible for the operation or control of such Vessel which act, omission, event or condition prevents all vessels from loading.</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
7.	(Continued)	
	Scheduling and Use of Terminal and Penalty Provisions	<p>1. For each Day that Carrier is subject to a Penalty Charge as referred to in C.1. above, the Penalty Charge will be allocated to and charged proportionately to each Excess Shipper. The proportion shall be the ratio of the Excess Shipper's net barrels at the beginning of each Day (0001 hours) bears to the total net barrels of all other Excess Shippers.</p> <p>2. After a Vessel has been docked, it shall be allowed 24 hours, if the vessel is of two hundred twenty-five thousand (225,000) dead weight tons or less, or 30 hours, if the vessel is of greater than two hundred twenty-five thousand (225,000) dead weight tons, from the time that Operator gives notice of readiness to commence either loading or deballasting within which to complete its lifting and to release its last line from a mooring point at the dock. If any Vessel fails to release its last mooring line before a specified departure time contained in a notice from Operator (which specified departure time shall not be earlier than the end of such 24-hour or 30-hour period, not earlier than four hours after Operator transmits such notice to the Vessel), the Shipper scheduling such Vessel shall thereafter pay a penalty of Two Thousand Dollars (\$2,000) for each hour or part thereof such Vessel remains at the dock, while such dock is required to load another Vessel which has established an Actual Arrival Time.</p> <p>Any delay due to:</p> <ul style="list-style-type: none"> a. any act or omission of Operator, or b. a local event or condition of general application (except mechanical equipment malfunction of the vessel) not within the control of Operator, the Owner scheduling the vessel or any other person responsible for the operation or control of such Vessel which act, event or condition prevents the Vessel from vacating the docks shall be added to the time until a Vessel is required to vacate the dock. <p>D. Intrasystem Transfers</p> <p>Intrasystem transfers of custody or ownership of Petroleum will not be permitted.</p>
8.	Minimum Delivery	Carrier will not make a delivery of less than 1,000 Barrels of any Petroleum at any destination point on its Pipeline except when necessitated by dispatching contingencies.
9.	Measurement	<p>The volume of Petroleum received and delivered by Carrier will be measured in Barrel units by meter or by tank gauges and computations made from correctly compiled tank tables.</p> <p>Corrections will be made for temperature from observed degrees Fahrenheit to sixty (60) degrees Fahrenheit. Carrier will deduct the full measured amount of basic sediment, water and other impurities as the distillation or other test may indicate. Shipper and Consignee shall have the privilege of being present or represented during measuring and testing of shipments by Carrier.</p>

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
10.	Delivery Adjustments	Any overage or shortage resulting from shrinkage, evaporation, topping plant extractions of fuel requirements for pumping stations and other normal operating losses will be credited to or charged to, and allocated equitably among the Shippers. Accounting for such overages and shortages will initially be made on the basis of estimates and adjusted to actual at the end of each calendar Month on a calendar year-to-date basis in the proportion that the 100-Barrel Mile Deliveries for each Shipper for the Month bears to the total of such 100-Barrel Mile Deliveries by Carrier during the Month. Only such portion of a Shipper's Petroleum as may remain after deduction of its allocated part of such net overages and shortages shall be deliverable from the System.
11.	Applicability of Rates, Charges, Rules and Regulations	The rates and charges which shall apply to the transportation of Petroleum shall be those in effect on the date Petroleum is received by Carrier for transportation. Likewise, the rules and regulations which shall govern the transportation of Petroleum shall be the rules and regulations in effect on the date Petroleum is received by Carrier for transportation.
12.	Vessel Requirements	All vessels scheduled by each Shipper must comply, and the party responsible for vessel operation must comply, with the Port Information Manual.
13.	Liability for Charges and Quality Adjustments	<p>The Shipper and Consignee shall be jointly and severally liable for payment of all transportation charges, fees, interest, penalties in Item No. 7, late charges, Quality Adjustments and other assessments as provided in the Quality Bank Agreement, and other lawful charges (collectively, the "Charges") on Petroleum delivered by Carrier to Shipper or Consignee.</p> <p>Carrier will bill Shipper for transportation for each load promptly following the loading of the vessel. If Carrier does not receive full payment of assessed charges within ten (10) Days after the date thereof, then Shipper and Consignee will become liable for payment to Carrier of a late charge at an annual interest rate equivalent to 125% of the prime rate of interest charged by Citibank N. A. of New York, New York, on ninety (90) Day loans to substantial and responsible commercial borrowers as of the due date, or the maximum rate allowed by the law, whichever is less. Such late charge shall accrue from the date of such bill until payment is made.</p> <p>Carrier reserves the right to require appropriate proof of financial responsibility from a Shipper or potential Shipper to assure Shipper's ability to meet Charges prior to acceptance of tender of shipment. In addition, Carrier reserves the right to require any Shipper to pay applicable charges and fees before delivery of Shipper's Petroleum at destination.</p> <p>Carrier shall have a lien on all Petroleum upon its receipt by Carrier to secure the payment of any and all Charges. Carrier may withhold from delivery any Petroleum of Shipper or Consignee in Carrier's custody until all Charges owed Carrier, or paid by Carrier on behalf of Shipper, have been paid by Shipper or Consignee. Carrier may enforce such lien by any manner referred to in, or consistent with, Alaska Statutes section 45.07.308, provided that Carrier's sale of such Petroleum to another Shipper of Carrier or any other person, after ten (10) Days' prior notice to Shipper and the solicitation of three (3) bids thereon, shall be commercially responsible.</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
14.	Liability for Loss	<p>Carrier will not be liable for failure to receive or deliver Petroleum or any loss of Petroleum while in the possession of Carrier, or for any delay in receiving or delivering Petroleum, if caused in whole or in part by an Act of God, weather, the public enemy, acts of third parties, quarantine, the authority of law, strikes, riots, the act or default of Shipper or Consignee, requisition or other action by any Government or Governmental agency, or any other conditions not within control of Carrier.</p> <p>If such loss of Petroleum occurs, then each Shipper of Petroleum so lost shall share such loss in the proportion that the amount of such Petroleum then in the custody of Carrier for the account of such Shipper bears to the total amount of Petroleum then in the custody of Carrier.</p> <p>Carrier will be obligated to deliver only that portion of Petroleum remaining after deducting such loss and delivery adjustments (Item No. 10). Transportation and other charges will be made only on quantities of Petroleum delivered.</p>
15.	Time Limitation of Claims	<p>As a condition precedent to recovery for loss or delay, claims must be filed in writing with Carrier within nine (9) Months and one (1) Day after delivery of the Petroleum, or in case of failure to make delivery, then within nine (9) Months and (1) Day after a reasonable time for delivery has elapsed; and suits may be instituted against the Carrier only within two (2) years and one (1) Day from the Day when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any parts thereof specified in the notice. Where claims are not filed or suits not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.</p>
16.	Use of Excess Capacity of Communications Facilities	<p>If there is excess communications capacity over and above the needs of the Carrier, Shippers may use Carrier's private communications facilities without additional charge for messages incident to their shipments. Carrier will not be liable for non-delivery of messages, errors or delays in transmission, or interruption of the service.</p>
17.	System Liability Fund	<p>The Trans Alaska Pipeline Authorization Act requires the System to maintain a Liability Fund for the purpose of having money readily available for damages and cleanup costs in the event of Petroleum discharges from a vessel loaded at Valdez Terminal. Carrier is required to collect five (5) cents per Barrel for each Barrel delivered to maintain its share of the Liability Fund. Carrier will collect from each Shipper five (5) cents per Barrel for each Barrel delivered from its Pipeline on a vessel at Valdez, Alaska. Carrier will not collect from Shippers the additional five (5) cents per Barrel if at any time Carrier is not required to pay the added charge.</p>
18.	Rates Applicable from and to Intermediate Points	<p>Petroleum received from a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point from which rates are published in any rate tariffs making reference to this tariff, will be assessed the rate in effect from the next more-distant point published in any rate tariff making reference to this tariff.</p> <p>Petroleum delivered to a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point to which rates are published in any rate tariffs making reference to this tariff, will be assessed the rate in effect to the next more-distant point published in any rate tariff making reference to this tariff.</p>

F.E.R.C. NO. 2 Cancels F.E.R.C. NO. 21* (ARCO Transportation Alaska Inc. Series)	
PHILLIPS TRANSPORTATION ALASKA, INC. LOCAL TARIFF	
Containing RULES AND REGULATIONS	
Governing THE TRANSPORTATION	
of PETROLEUM	
by PIPELINE	
THROUGH TRANS ALASKA PIPELINE SYSTEM TO VALDEZ, ALASKA	
<hr/> GENERAL APPLICATION	
<p>The rules and regulations published herein apply only under tariffs making specific reference by number to this tariff; such reference will include supplements hereto and successive issues hereof. Specific rules and regulations published in individual tariffs will take precedence over rules and regulations published herein.</p> <p>The provisions published herein will, if effective, not result in an effect on the quality of the human environment.</p>	
ISSUED: September 29, 2000	EFFECTIVE: November 1, 2000
ISSUED BY Edward R. Hendrickson Vice-President, Treasurer & Controller Phillips Transportation Alaska, Inc. 700 G Street, ATO-920 Anchorage, AK 99501	COMPILED BY Bernard W. Washington Tariff Coordinator Phillips Transportation Alaska, Inc. 700 G Street, ATO-918 Anchorage, Alaska 99501 Phone 907-263-3703

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REGULATORY COMMISSION

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EXPLANATION OF REFERENCE MARKS

- [C] Cancelled
- [D] Decreased Rate
- [N] New
- [U] Unchanged Rate
- [W] Change in wording only

Note: The Carrier definition has been used within this document to refer to Phillips Transportation Alaska, Inc.

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
1.	Definition	<p>"Actual Arrival Time" means the time according to Valdez, Alaska, local time that a vessel communicates to the Operator its readiness to commence loading after entering the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Barrel" means forty-two United States gallons.</p> <p>[N] "Base Fluctuation" is the daily increase or decrease to Fixed Base Inventory as a result of pipeline operations resulting from such things as temperature, flow rate or pressure changes</p> <p>[N] "Base Inventory" as herein used means Fixed Base Inventory adjusted for any increase or decrease in the Base Fluctuation.</p> <p>"Carrier" means Phillips Transportation Alaska, Inc.</p> <p>"Carrier Work Day" means a regularly scheduled workday for Carrier.</p> <p>"Consignee" means anyone that a shipment, or a portion of a shipment, is consigned to when delivered from the Pipeline.</p> <p>"Day" means the period of time commencing at 0000 hours on one day and running until 2400 hours on the same day according to Valdez, Alaska, local time.</p> <p>[N] "Excess Shipper" is a Shipper that has a volume of Petroleum in the custody of the Carrier that exceeds 100 percent of Shipper's Working Tankage Entitlement at the beginning of the Day for which the Carrier is assessed a penalty. The excess is computed by taking the Shipper's share of Total Inventory barrels less Shipper's share of Base Inventory less Shippers Working Tankage Entitlement.</p> <p>[N] "Fixed Base Inventory" as herein used means the standard total volume of Petroleum in System's pipeline base inventory and terminal tankage base inventory that has not been adjusted for any Base Fluctuation and excludes Petroleum in fuel tanks and in Working Capacity.</p> <p>"Month or Monthly" means a calendar month commencing at 0000 hours on the first Day thereof and running until 2400 hours on the last Day thereof according to Valdez, Alaska, local time.</p> <p>"100-Barrel Mile Deliveries" as herein used means the number of Barrels of Petroleum delivered out of the System multiplied by the number of miles each such Barrel was transported, divided by 100.</p> <p>"Operator" means the contract operator of the Trans Alaska Pipeline System.</p> <p>"Operator Business Day" means a regularly scheduled workday for Operator's scheduling department.</p> <p>"Owner(s)" refers to the seven owners of undivided interests in the Trans Alaska Pipeline System.</p> <p>"Petroleum" means unrefined liquid hydrocarbons including gas liquids.</p> <p>"Pipeline" means Carrier's undivided interest ownership in the Trans Alaska Pipeline System.</p> <p>"Port Information Manual" means the manual governing vessel characteristics, required equipment and operation of vessels arriving to lift Petroleum at Valdez,</p>

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ITEM NO.	SUBJECT	RULES AND REGULATIONS
	(Continued)	Alaska. Copies of the Port Information Manual are available upon written request.
	Definition	<p>"Prospective Shipper" means a person tendering Petroleum for transportation through the Pipeline whose tender has not yet been accepted by Carrier.</p> <p>"Scheduled Arrival Day" means the Day stated in a lifting schedule that a vessel is scheduled to enter the Prince William Sound Vessel Traffic Service Area or an area subsequently designated by Carrier.</p> <p>"Shipper" means anyone who ships Petroleum through the Pipeline.</p>
	[N]	"Shipper's Accepted Tender Percentage" is the ratio (expressed as a percentage to two decimal places, XX.XX%) that the shipper's daily accepted tender, bears to the total daily accepted tenders for all shippers.
	[N]	<p>"Shipper's Working Tankage Entitlement" is equal to the Shipper's Accepted Tender Percentage of the Carrier's Working Capacity.</p> <p>"System" means the Trans Alaska Pipeline System.</p>
	[N]	"Total Inventory" is all inventories in tanks and pipeline at any given time including both Base Inventory and Working Inventory.
	[W]	"Working Capacity" is the total capacity of all operational Terminal Tankage for the handling of Petroleum at Valdez, Alaska, pending delivery out of the system into vessels, between 2'6" above the bottom of the each tank shell and 3'9" below the top of each tank shell, less the capacity, as determined by the Operator, required to receive the volume of Petroleum which should be moved out of the System to prevent internal pressure in the pipeline from exceeding design limits in the event its operation should be shut down.
	[W]	"Working Inventory" means the volume of Petroleum derived by taking Total Inventory less Base Inventory at any given time. It is part of Working Capacity.
2.	Title	The act of delivering Petroleum to Carrier for transportation shall constitute a warranty by Shipper that Shipper or Consignee has unencumbered title thereto and that the same was produced in accordance with all applicable laws and regulations.
3.	Quality and Intermixing of Petroleum	<p>Only Petroleum will be accepted for transportation in the Pipeline. All Petroleum transported through the Pipeline will be intermixed with other Petroleum shipments and shall be subject to such changes in gravity, quality and other characteristics as may result from such intermixing. No Shipper or Consignee shall be entitled to receive the identical Petroleum delivered into the Pipeline. Delivery shall be out of the commingled stream or common stock.</p> <p><u>Quality Adjustments.</u></p> <p>Shippers shall be debited and/or credited for all adjustments as provided for in this item with respect to all Petroleum shipped. The calculation of Shipper's debits and credits shall be made for each Month as required herein. The credit and debit balances for each accounting shall be adjusted among Shipper and all Shippers in TAPS by collecting funds from those Shippers (including Shipper, if applicable) having debit balances and by thereafter remitting funds collected to the Shippers (including Shipper, if applicable) having credit balances. In the</p>

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		<p>event of delay in collection or inability to collect from one or more Shippers for any reason, only adjustment funds and applicable interest charges actually collected shall be distributed pro rata to Shippers having credit balances. A Monthly accounting shall be rendered to Shipper after the end of each Month.</p>
3.	(Continued)	(a) Methodology.
	Quality and Intermixing of Petroleum	<p>Shipper authorizes Carrier or its designee to compute adjustments among all Shippers in TAPS for quality differentials arising out of TAPS common stream operation. Shipper agrees to pay Carrier or its designee the adjustment due from Shipper determined in accordance with the procedures set out in this Item.</p> <p>The procedures for making Quality Bank calculations and determining Quality Bank adjustments among Shippers are specified in detail in this Item, as supplemented by the TAPS Quality Bank Methodology set forth in Carrier's Tariff F.E.R.C. No. 7, supplements thereto, and successive issues thereof, which are incorporated herein by reference.</p> <p>As prescribed in the TAPS Quality Bank Methodology, at the close of each Month Carrier or its designated Quality Bank Administrator shall compute adjustments calculated as follows:</p> <ol style="list-style-type: none"> 1. Pump Station No. 1 Adjustment - An adjustment based on the difference between the Quality Bank Value of Pump Station No. 1 Base Petroleum during a Month and the Quality Bank Value of Petroleum received into TAPS at Pump Station No. 1 for a Shipper during the same Month shall be calculated as follows: <ol style="list-style-type: none"> (i) the Quality Bank Value per Barrel of each stream received into TAPS at Pump Station No. 1 during the Month for a Shipper shall be determined by summing the Quality Bank Values of each component of one Barrel of that stream as determined in accordance with the TAPS Quality Bank Methodology. (ii) the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for the Month shall be determined by multiplying the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS Pump Station No. 1 during that Month by the number of Barrels of that stream received into TAPS at Pump Station No. 1 during that Month, summing the products so obtained and dividing the total by the number of Barrels of Petroleum received into TAPS at Pump Station No. 1 during that Month. (iii) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month. (iv) if the Quality Bank Value per Barrel of the Pump Station No. 1 Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a stream of Petroleum received into TAPS at Pump Station No. 1 during the same Month for a Shipper, such Shipper shall be

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		credited an amount calculated by multiplying such difference by the number of Barrels of such Petroleum received into TAPS for such Shipper at Pump Station No. 1 during that Month.
3. (Continued)	Quality and Intermixing of Petroleum	<p>2. Connection Adjustment - An adjustment based on the difference between the Quality Bank Value of any Connection Base Petroleum during a Month and the Quality Bank Value of a Shipper's Petroleum commingled at that Connection during the same Month shall be calculated as follows:</p> <ul style="list-style-type: none"> (i) the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at a Connection during the Month shall be determined by summing the Quality Bank Values of each component of one Barrel of that Petroleum as determined in accordance with the TAPS Quality Bank Methodology. (ii) the Quality Bank Value per Barrel of any Connection Base Petroleum for the Month shall be the Weighted Average Quality Bank Value of (1) the Petroleum entering TAPS at Connection during the Month and (2) the Petroleum in TAPS just upstream of the point of entry into TAPS at that Connection during the Month. (iii) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is greater than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be debited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month. (iv) if the Quality Bank Value per Barrel of any Connection Base Petroleum for any Month is less than the Quality Bank Value per Barrel of a Shipper's Petroleum commingled at that Connection during the same Month, such Shipper shall be credited an amount calculated by multiplying such difference by the number of Barrels of such Shipper's Petroleum commingled at that Connection during that Month. <p>3. Valdez Terminal Gravity Adjustment - An adjustment based on the difference between the Weighted Average Gravity of the Valdez Terminal Base Petroleum and the Weighted Average Gravity of Petroleum received out of the Valdez Terminal by a Shipper shall be calculated as follows:</p> <ul style="list-style-type: none"> (i) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is greater than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be credited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels of such Petroleum received out of the Valdez Terminal during that Month by such Shipper. (ii) if the Weighted Average Gravity of the Valdez Terminal Base Petroleum for any Month is less than the Weighted Average Gravity of Petroleum received out of the Valdez Terminal during the same Month by a Shipper, such Shipper shall be debited an amount calculated by multiplying such difference by the Gravity Differential Value Per Barrel and multiplying that total by the number of Barrels

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		of such Petroleum received out of the Valdez Terminal during that Month by such Shipper.
3. (Continued)	[U]	(iii) For the period from July 1, 2000, through December 31, 2000, the Gravity Differential Value Per Barrel is established at \$0.0194 for each one-tenth degree API Gravity (0.1° API). For the period from January 1, 2000, through June 30, 2000, the Gravity Differential Value Per Barrel is established at \$0.0180 for each one-tenth degree API Gravity (0.1° API).
Quality and Intermixing of Petroleum	[U]	
		(c) General Provisions.
		In addition to the adjustments described in this Item, Shipper agrees to pay Carrier or its designee a per Barrel charge to reimburse Carrier for the costs of administering the adjustments among Shippers under this Item.
		In the event any payment is made to Shipper hereunder and it is subsequently determined by any Federal or state court, administrative agency or other governmental entity having jurisdiction that no other Shipper was liable for the adjustment for which payment was made, Shipper receiving such payment shall upon receipt of an accounting from Carrier return the same to Carrier or its designee. Carrier shall promptly utilize same to reimburse all Shippers who made such payments.
		All payments due from Shipper under this Item shall be made by Shipper within 20 Days of receipt of each accounting and, for any delay in payment beyond such 20 Day period, shall bear interest calculated at an annual rate equivalent to 125% of the prime rate of interest of Citibank N. A. of New York, New York, on ninety-day loans to substantial and responsible commercial borrowers as of the date of accounting.
		If Shipper fails to make payment due hereunder within 30 Days of issuance of each accounting, Carrier shall have the right to sell at public auction either directly or through an agent at any time after such 30 Day period any Petroleum of Shipper in its custody. Such auction may be held on any Day, except a legal holiday, and not less than 48 hours after publication of notice of such sale in a daily newspaper of general circulation published in the town, city or general area where the sale is to be held, stating the time and place of sale and the quantity and location of Petroleum to be sold. At said sale Carrier shall have the right to bid, and, if it is the highest bidder, to become the purchaser. From the proceeds of said sale, Carrier will deduct all payments due and expenses incident to said sale, and the balance of the proceeds of the sale remaining, if any, shall be held for whomsoever may be lawfully entitled thereto.
		Carrier and its designee are authorized by Shipper to receive through measurement, connecting Carriers or otherwise all information and data necessary to make the computations under this Item. Shipper will furnish Carrier or its designated Quality Bank Administrator, and consents to Carrier or its designated Quality Bank Administrator acquiring from other Carriers or other persons, any additional information and data necessary to make the computations under this Item. Shipper also consents to Carrier or its agents disclosing to the designated Quality Bank Administrator all information and data necessary to make the computations under this Item.
		The name and address of Carrier's designated Quality Bank Administrator will be made available upon written request to Carrier.

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		Adjustment payments and administrative costs in this Item are not a part of Carrier's transportation tariff rates, and such shall not be an offset or other claim by Shipper against sums due Carrier for transportation or other charges, costs, or fees due or collected under Carrier's tariffs.
3.	(Continued) Quality and Intermixing of Petroleum	Carrier has right to refuse Petroleum for transportation if (i) it is unsuitable for refining or use as a fuel or contains more than thirty-five one hundredths of 1% (0.35%) by volume of basic sediment and water, (ii) its temperature exceeds 142° F, provided that Petroleum may be accepted for transportation at any point in the System at a temperature in excess of 142° F but only under such circumstances and during such times as Carrier hereunder determines will not result in violation of any design or operating requirement for the System at any point in the System or result in inequities or discrimination as between Carriers or Shippers, (iii) its hydrogen sulfide (H ₂ S) content in solution exceeds 50 parts per million by weight, and (iv) it will result in the calculated combined stream of Petroleum in the System at any given entry point or any given time exceeding ten (10) parts per million hydrogen sulfide (H ₂ S) content in solution by weight, or the vapor pressure of such combined stream exceeds the greater of atmospheric pressure or 14.7 psia at receipt temperature, and (v) assay analysis of the Petroleum has not been provided at least sixty (60) Days in advance of initial receipt to determine that such Petroleum is compatible with other Petroleum being transported (Carrier will notify the Prospective Shipper of the evaluation of the assay analysis and acceptance or non-acceptance of the Petroleum within forty (40) Days of the receipt of the analysis).
4.	Nomination Policy and Proration Procedures	<p>I. Nomination of Tenders</p> <p>A. Good-faith nominations will be received and considered for acceptance only if they conform in full to Carrier's requirements. To maintain equity among Shippers and to ensure equitable application of proration when proration shall be required, Carrier does not permit over-tendering. When considering tenders for acceptance and proration, Carrier reserves the right to revise, reduce or reject a tender if acceptance of Shipper's tender in the form provided would adversely effect the rights of other Shippers to equitable and fair treatment.</p> <p>Such adverse effect includes, but is not limited to, the following acts or omissions:</p> <ol style="list-style-type: none"> 1. Shipper offering more oil for transportation than that to which it has title or than it plans to ship. 2. Shipper fails upon request to demonstrate satisfactorily that it currently has unencumbered title to the oil being tendered. 3. Shipper has failed to make timely payment for previous shipments. 4. Shipper has tendered the same oil currently being tendered to Carrier to another TAPS Carrier or Carriers and has been accepted provisionally or otherwise or is being considered for acceptance provisionally or otherwise by another TAPS Carrier or Carriers.

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4.	(Continued) Nomination Policy and Proration Procedures	<p>5. Shipper individually or through the use of multiple related entities, tenders oil in excess of Carrier's Available Capacity (as defined in Item II.A).</p> <p>6. Employment of schemes or devices to over-tender will be deemed to be grounds for rejection of the over-tendering Shipper's entire tender for the Tender Period (as defined in Item I.B.).</p> <p>7. Shipper declines to provide without exclusion or limitation certification of compliance with Carrier Rules and Regulations. The form of the required certification shall be communicated to Shippers by Carrier</p> <p>8. Shipper has failed (unless such failure is because of reasons beyond Shipper's control) to provide Carrier with all required information in a timely manner.</p> <p>B. Nominations will be considered for acceptance only if received by Carrier's office no later than noon, Anchorage, Alaska local time, on the 3rd Carrier Work Day of each Month ("Nomination Day"). Nominations received by the deadline ("Initial Nominations") will cover the ensuing one-month period that begins on the first Day of the next successive calendar Month following the Nomination Day ("Tender Period"). Carrier will notify Shippers of their allocated space prior to noon, Anchorage, Alaska local time, on the next successive Carrier Work Day following the Nomination Day.</p> <p>All nominations will be submitted by facsimile transmission to:</p> <p>[W] Phillips Transportation Alaska, Inc. Attention: Oil Movements Coordinator 700 G Street Anchorage, Alaska 99501 Telephone: (907) 263-3760 Facsimile: (907) 263-3751</p> <p>[W] Carrier does not accept responsibility for nominations sent but not received. It is the Shippers responsibility to confirm receipt via telephone.</p> <p>C. Nominations received after the deadline set forth in Item I.B. will be considered revised nominations. A revised nomination that increases the number of nominated barrels is known as an "Increased Nomination". A revised nomination that reduces the number of nominated barrels is known as a "Decreased Nomination".</p> <p>[C] [C] [C] D. Carrier will acknowledge receipt and notify Operator of an Increased or Decreased Nomination by noon Anchorage, Alaska local time the following Carrier Work Day.</p> <p>E. Carrier will accept an Increased Nomination only after Operator determines that the additional Barrels shipper proposes to tender (or, if shipper has not previously nominated Barrels for the month, the Barrels shipper nominates) are not nominated to another carrier.</p>

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4.	(Continued)	
	Nomination Policy and Proration Procedures	
		F. Carrier will accept a Decreased Nomination only after Operator determines that the Barrels Shipper proposes not to tender to Carrier are properly nominated to another Carrier.
		G. A revised nomination will be effective at 0000 hours on the later of (a) the Day shipper indicates in its nomination or (b) a Day that begins after six Operator Business Days have elapsed since Carrier accepted the nomination. Carrier will notify Shipper when Carrier accepts Shipper's revised nomination and when the revised nomination will become effective.
		H. Shipper may not nominate the same Barrels of Petroleum to Carrier and to another carrier. If as of 2400 hours of the 15 th day of a Month (or, if that Day is not an Operator Business Day, then of the first Operator Business day thereafter), Operator determines that Shipper has nominated to another Carrier Barrels that Carrier has accepted for the coming Month, Carrier will reduce Shipper's nomination to Carrier by the number of Barrels that Carrier accepted that were also nominated to another carrier.
		I. No person or entity may deliver to the Pipeline Petroleum that has not been nominated to and accepted by Carrier or another carrier. If by 2400 hours of the 15 th Day of a Month (or, if that Day is not an Operator Business Day, then of the first Operator Business Day thereafter) there is Petroleum scheduled to be delivered to the Pipeline in the coming Month that has not been nominated and accepted by Carrier or another carrier, Operator will notify the owner of such Petroleum at least one Operator Business Day before the deadline by which such crude owner must nominate the Petroleum to Carrier or another carrier that has available capacity through a revised nomination. If, notwithstanding Operator's notice, the Petroleum is not nominated but is delivered to the Pipeline, such Petroleum shall be deemed to be the property of Carrier and the other carriers, and the prior crude owner shall have no interest in the Petroleum.
		II. Available Pipeline Capacity
	[W]	A. Carrier's available capacity ("Available Capacity") is Carrier's Pipeline ownership interest in the total estimated pipeline capacity of TAPS plus or minus the adjustment capacity for the applicable Tender Period. Adjustment capacity is an adjustment made to balance Carrier's actual shipments to Carrier's actual pipeline capacity.
		B. If the total of all tenders received is less than Carrier's Available Capacity in the Tender Period, all tenders are accepted in full, except that the acceptance of a tender for intrastate movement may be limited to a percentage of the total oil being tendered by the Shipper to all TAPS Owners for the specific intrastate movement in accordance with Item III. A.
		C. After acceptance of tenders, Carrier will advise its Shippers of the amount of remaining capacity available ("Remaining Capacity"). If more nominations are received than Remaining Capacity, all timely nominations will be prorated after the time and date specified. However, Carrier may only accept that portion of a tender for Remaining Capacity from an intrastate Shipper subject to the terms as set forth in Item III.A.

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4.	(Continued)	
	Nomination Policy and Proration Procedures	<p>D. If an accepted tender is withdrawn or partially withdrawn at a later date, Carrier will notify all its Shippers of the capacity made available by such withdrawal ("Returned Capacity") and will seek further tenders. Tenders for this Returned Capacity will be accepted until the close of the period specified in the notification message. Carrier will accept tender for Returned Capacity from an intrastate Shipper subject to the terms as set forth in Item III.A. If more nominations are received than Returned Capacity, all timely nominations will be prorated after the time and date specified.</p> <p>E. If, subsequent to acceptance of tenders, Carrier's capacity in TAPS is increased for any reason, Carrier will advise all its Shippers of such change. Changes of tenders will be subject to the same terms as set forth in Item II.D.</p> <p>F. If, subsequent to acceptance of tenders, Carrier's capacity is decreased for any reason, Carrier will recalculate prorations based on original tenders and notify shippers of revised acceptances.</p> <p>G. Tender Substitutions</p> <p>Carrier does not permit a full or partial transfer or a full or partial assignment of confirmed tenders among Shippers.</p> <p>In cases where a Shipper is unable to deliver the expected tender of Petroleum from any source, it may substitute its own Petroleum from another source that meets transportation requirements up to the total amount of space for which it previously has received acceptance.</p> <p>H. Prior to noon, Anchorage Alaska local time, on the 3rd Carrier Work Day of each month, Carrier will notify each prospective Shipper of its Available capacity. Any prospective Shipper may obtain this information by request to the Oil Movements Coordinator as set out in Item 1.B.</p> <p>III. Intrastate Shipments</p> <p>A. Any Shipper tendering for intrastate shipment in Carrier is required to advise the total volume being tendered to all TAPS Carriers for each intrastate movement for the Month being tendered.</p> <p>1. If tenders by Shippers to Carrier exceed Carrier's Available Capacity for the Tender Period, the maximum amount of any intrastate Shipper's tender that may be accepted is the Carrier's Pipeline ownership percent of the total volume of oil being tendered to all TAPS Carriers by that Shipper for that specific intrastate movement during the Tender Period.</p>

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4.	(Continued) Nomination Policy and Proration Procedures	<p>2. Carrier shall have the option to accept from any intrastate Shipper tenders in excess of the Pipeline ownership interest of that Shipper's total tenders to all TAPS Carriers for that particular intrastate movement when Carrier would otherwise have unused capacity.</p> <p>IV. Proration Policy</p> <p>A. If the total of all tenders received is greater than Carrier's Available Capacity in the Tender Period, a tender for intrastate movement will be limited to a percentage of the total oil being tendered by the Shipper to all TAPS Owners for the specific intrastate movement in accordance with item III.A and interstate movement will be allocated to the balance of the capacity after the intrastate movement by prorating among all Shippers in the proportion that each Shipper's interstate tender bears to the total of all interstate tenders being reviewed.</p> <p>B. When proration of capacity is required.</p>
5.	Scheduling of Receipts	<p>Shippers and Prospective Shippers shall promptly provide Carrier with all essential information, including the origin and delivery points, for Carrier to schedule such proposed shipments of Petroleum; to satisfy Carrier that offers to ship are in good faith; and to satisfy Carrier that shipments can be transported in conformance with Carrier's tariff. Carrier may refuse to receive Petroleum for transportation until such Shipper or Prospective Shipper has provided Carrier with such information.</p> <p>Shipper shall provide monthly written notice three weeks in advance of the volume of Petroleum to be transported for the ensuring one Month period, and shall promptly notify Carrier of any proposed changes in its shipping schedule.</p> <p>Scheduled receipts from Shipper shall not be subject to change except with written or telegraphic notice from Shipper at least two (2) Days prior to date of scheduled receipt of Petroleum.</p> <p>Shipper may not assign to any other Shipper or Prospective Shipper, or otherwise alter, a scheduled shipment, if the effect of such action would be to shorten the originally scheduled length of haul, except as provided in Item No. 19 of this tariff.</p> <p>Carrier will require each Shipper to supply its pro rata share of Petroleum necessary for Carrier's proportional pipeline fill, tank bottom inventory, and any minimum quantities required for efficient operation of the System.</p> <p>In the event Shippers offer to ship more Petroleum through the Pipeline during any period of time than can be pumped through the Pipeline during such period, then Carrier shall accept and transport, during such period, only that portion of each good-faith offer to ship which Carrier shall determine to be equitable to all Shippers pursuant to the Nomination Policy.</p>
6.	Shipper Receipt and Delivery Facilities	Carrier will determine and advise Shipper of the facilities to be provided by the Shipper at any receipt or delivery location to meet the operating conditions of Carrier's facilities at such location. Carrier will not accept Petroleum for transportation unless such facilities have been provided.

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7.	Scheduling and Use of Terminal and Penalty Provisions	<p>A. Schedule for Tanker Lifting</p> <p>[W] 1. Each Thursday by 0800 hours Anchorage, Alaska local time, Shipper shall provide written notice four weeks in advance of the volume of Petroleum to be transported for the ensuing one Month period, and shall promptly notify Carrier of any proposed changes in its shipping schedule.</p> <p>2. The scheduling of vessels at Valdez, Alaska, will be accomplished by the Operator, taking into account proposed liftings with respect to Petroleum in the custody of Owners, including Carrier. If there are more proposed liftings than can be accommodated and such conflicts cannot be resolved voluntarily between the conflicting Owners, Operator will resolve such conflicts in accordance with the rules provided for in A.2.a. below. After resolution of all conflicts in accordance with these rules, the Lifting Schedule then established shall be issued to each Owner.</p> <p>a. Vessels shall be assigned dock space by Operator in the order of Actual Arrival Time. Provided, however, that (1) adequate and appropriate inventories designated for lifting by such vessel have been established, and (2) if in the Operator's prudent judgment such prioritization will optimize System deliveries. Each Vessel shall dock when and as instructed by Operator. If any Vessel is unable to dock when instructed, Operator shall dock the next Vessel waiting to be docked based on the order of dock assignment until the Vessel that was unable to dock is able to dock.</p> <p>B. Changes in Lifting Schedule</p> <p>[W] 1. Subject to the scheduling priority rules set forth in A.2.a. above, changes may be made to the lifting schedule by any Shipper upon written notice delivered to Carrier at least seven (7) Days in advance of a scheduled lifting.</p> <p>[W] 2. Changes on less than seven (7) Days written notice may be made only in accordance with the following rules:</p> <p>a. Vessel substitutions may be made by notice to the Carrier provided such substitution will not adversely affect the scheduled liftings of Petroleum in the custody of any Owner, including Carrier, and the substituted vessel complies with the Port Information Manual.</p> <p>b. Any other changes may be made provided:</p> <p>i. the requested change will not affect the scheduled liftings of Petroleum in the custody of any Owner(s), including Carrier, unless the prior written consent of such Owner(s) is obtained, and</p> <p>ii. the requested change will not, based on the lifting schedule, result in a projected Working Inventory in excess of 75 percent of Working Capacity within the next seven (7) Days or aggravate a Working Capacity condition which is already above such inventory level.</p>

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7.	(Continued)	C. Penalty Charges
	Scheduling and Use of Terminal and Penalty Provisions	
	[W]	
	[U]	
		1. Carrier is subject to the payment of a penalty, "Penalty Charge", of twenty (20) cents per Day per Barrel on each gross (including sediment and water) Barrel by which Carrier's Working Inventory exceeds Carrier's Working Capacity if, at the beginning of any Day, Working Inventory equals or exceeds 75 percent of Working Capacity.
		The number of Barrels subject to penalty is reduced by:
		a. the number of Barrels scheduled to be lifted by a vessel which has established an Actual Arrival Time at the beginning of any Day the penalty is applied, but is unable to dock because the passage through the Prince William Sound or Valdez Arm is closed to shipping due to an event or condition not within the control of the Owner incurring the penalty, and by
		b. the number of Barrels scheduled to be lifted by a vessel which has docked but is unable to lift at the beginning of any Day (i) due to any act or omission of Operator or (ii) due to any local event or condition of general application not within the control of Operator, the Owner scheduling such Vessel (on behalf of a Shipper) or any person responsible for the operation or control of such Vessel which act, omission, event or condition prevents all vessels from loading.
		2. For each Day, the penalty is applicable to Carrier as referred to in C. 1. above, the penalty will be allocated to, and charged to Shippers who have not met lifting schedules as follows:
		a. Carrier will determine the total Barrels of Petroleum for each individual Shipper which, at the beginning of that Day, has not been lifted by that Shipper in accordance with lifting schedules due to (i) late arrival of the lifting vessel, whatever the cause of such late arrival, or (ii) the failure of a vessel to lift the full quantity scheduled to be lifted by that vessel in accordance with lifting schedules, whatever the cause of such failure to lift the full scheduled quantity. Such individual Shipper shall, however, be allowed as a deduction from such total the number of Barrels derived by applying the penalty-reduction provisions of C. 1. a. and C. 1. b. above to the lifting of such individual Shipper.
		b. The sum of all net Barrels determined for each individual Shipper pursuant to C. 2. a. above shall be determined.
		c. The penalty charged an individual Shipper for that Day will be the total penalty to which Carrier is subject for that Day, as calculated in accordance with C. 1. above, multiplied by a fraction the numerator of which is the Barrels of Petroleum attributable to that individual Shipper pursuant to C. 2. a. above, and the denominator of which is the total Barrels of Petroleum for all Shippers determined pursuant to C. 2. b. above.

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	Scheduling and Use of Terminal and Penalty Provisions	
	[N]	3. For each Day that Carrier is subject to a Penalty Charge as referred to in C.1. above, the Penalty Charge will be allocated to and charged proportionately to each Excess Shipper. The proportion shall be the ratio of the Excess Shipper's net barrels at the beginning of each Day (0001 hours) bears to the total net barrels of all other Excess Shippers.
	[N]	4. After a Vessel has been docked, it shall be allowed 24 hours, if the vessel is of two hundred twenty-five thousand (225,000) dead weight tons or less, or 30 hours, if the vessel is of greater than two hundred twenty-five thousand (225,000) dead weight tons, from the time that Operator gives notice of readiness to commence either loading or deballasting within which to complete its lifting and to release its last line from a mooring point at the dock. If any Vessel fails to release its last mooring line before a specified departure time contained in a notice from Operator (which specified departure time shall not be earlier than the end of such 24-hour or 30-hour period, not earlier than four hours after Operator transmits such notice to the Vessel), the Shipper scheduling such Vessel shall thereafter pay a penalty of Two Thousand Dollars (\$2,000) for each hour or part thereof such Vessel remains at the dock, while such dock is required to load another Vessel which has established an Actual Arrival Time.
		Any delay due to:
		a. any act or omission of Operator, or
		b. a local event or condition of general application (except mechanical equipment malfunction of the vessel) not within the control of Operator, the Owner scheduling the vessel or any other person responsible for the operation or control of such Vessel which act, event or condition prevents the Vessel from vacating the docks shall be added to the time until a Vessel is required to vacate the dock.
	D. Intrasystem Transfers	
		Intrasystem transfers of custody or ownership of Petroleum will not be permitted.
8.	Minimum Delivery	Carrier will not make a delivery of less than 1,000 Barrels of any Petroleum at any destination point on its Pipeline except when necessitated by dispatching contingencies.
9.	Measurement	The volume of Petroleum received and delivered by Carrier will be measured in Barrel units by meter or by tank gauges and computations made from correctly compiled tank tables.

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
9. (Continued)	Measurement	Corrections will be made for temperature from observed degrees Fahrenheit to sixty (60) degrees Fahrenheit. Carrier will deduct the full measured amount of basic sediment, water and other impurities as the distillation or other test may indicate. Shipper and Consignee shall have the privilege of being present or represented during measuring and testing of shipments by Carrier.
10.	Delivery Adjustments	Any overage or shortage resulting from shrinkage, evaporation, topping plant extractions of fuel requirements for pumping stations and other normal operating losses will be credited to or charged to, and allocated equitably among the Shippers. Accounting for such overages and shortages will initially be made on the basis of estimates and adjusted to actual at the end of each calendar Month on a calendar year-to-date basis in the proportion that the 100-Barrel Mile Deliveries for each Shipper for the Month bears to the total of such 100-Barrel Mile Deliveries by Carrier during the Month. Only such portion of a Shipper's Petroleum as may remain after deduction of its allocated part of such net overages and shortages shall be deliverable from the System.
11.	Applicability of Rates, Charges, Rules and Regulations	The rates and charges which shall apply to the transportation of Petroleum shall be those in effect on the date Petroleum is received by Carrier for transportation. Likewise, the rules and regulations which shall govern the transportation of Petroleum shall be the rules and regulations in effect on the date Petroleum is received by Carrier for transportation.
12.	Vessel Requirements	All vessels scheduled by each Shipper must comply, and the party responsible for vessel operation must comply, with the Port Information Manual.
13.	Liability for Charges and Quality Adjustments	<p>The Shipper and Consignee shall be jointly and severally liable for payment of all transportation charges, fees, interest, penalties in Item No. 7, late charges, Quality Adjustments and other assessments as provided in the Quality Bank Agreement, and other lawful charges (collectively, the "Charges") on Petroleum delivered by Carrier to Shipper or Consignee.</p> <p>[W] Carrier will bill Shipper for transportation for each load promptly following the loading of the vessel. If Carrier does not receive full payment of assessed charges within ten (10) Days after the date thereof, then Shipper and Consignee will become liable for payment to Carrier of a late charge at an annual interest rate equivalent to 125% of the prime rate of interest charged by Citibank N. A. of New York, New York, on ninety (90) Day loans to substantial and responsible commercial borrowers as of the due date, or the maximum rate allowed by the law, whichever is less. Such late charge shall accrue from the date of such bill until payment is made.</p> <p>Carrier reserves the right to require appropriate proof of financial responsibility from a Shipper or potential Shipper to assure Shipper's ability to meet Charges prior to acceptance of tender of shipment. In addition, Carrier reserves the right to require any Shipper to pay applicable charges and fees before delivery of Shipper's Petroleum at destination.</p> <p>Carrier shall have a lien on all Petroleum upon its receipt by Carrier to secure the payment of any and all Charges. Carrier may withhold from delivery any Petroleum of Shipper or Consignee in Carrier's custody until all Charges owed Carrier, or paid by Carrier on behalf of Shipper, have been paid by Shipper or Consignee. Carrier may enforce such lien by any manner referred to in, or consistent with, Alaska Statutes section 45.07.308, provided that Carrier's sale of such Petroleum to another Shipper of Carrier or any other person, after ten (10) Days' prior notice to Shipper and the solicitation of three (3) bids thereon, shall be commercially responsible.</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
14.	Liability for Loss	<p>Carrier will not be liable for failure to receive or deliver Petroleum or any loss of Petroleum while in the possession of Carrier, or for any delay in receiving or delivering Petroleum, if caused in whole or in part by an Act of God, weather, the public enemy, acts of third parties, quarantine, the authority of law, strikes, riots, the act or default of Shipper or Consignee, requisition or other action by any Government or Governmental agency, or any other conditions not within control of Carrier.</p> <p>If such loss of Petroleum occurs, then each Shipper of Petroleum so lost shall share such loss in the proportion that the amount of such Petroleum then in the custody of Carrier for the account of such Shipper bears to the total amount of Petroleum then in the custody of Carrier.</p> <p>Carrier will be obligated to deliver only that portion of Petroleum remaining after deducting such loss and delivery adjustments (Item No. 10). Transportation and other charges will be made only on quantities of Petroleum delivered.</p>
15.	Time Limitation of Claims	<p>As a condition precedent to recovery for loss or delay, claims must be filed in writing with Carrier within nine (9) Months and one (1) Day after delivery of the Petroleum, or in case of failure to make delivery, then within nine (9) Months and (1) Day after a reasonable time for delivery has elapsed; and suits may be instituted against the Carrier only within two (2) years and one (1) Day from the Day when notice in writing is given by Carrier to the claimant that Carrier has disallowed the claim or any parts thereof specified in the notice. Where claims are not filed or suits not instituted thereon in accordance with the foregoing provisions, Carrier will not be liable and such claims will not be paid.</p>
16.	Use of Excess Capacity of Communications Facilities	<p>If there is excess communications capacity over and above the needs of the Carrier, Shippers may use Carrier's private communications facilities without additional charge for messages incident to their shipments. Carrier will not be liable for non-delivery of messages, errors or delays in transmission, or interruption of the service.</p>
17.	System Liability Fund	<p>The Trans Alaska Pipeline Authorization Act requires the System to maintain a Liability Fund for the purpose of having money readily available for damages and cleanup costs in the event of Petroleum discharges from a vessel loaded at Valdez Terminal. Carrier is required to collect five (5) cents per Barrel for each Barrel delivered to maintain its share of the Liability Fund. Carrier will collect from each Shipper five (5) cents per Barrel for each Barrel delivered from its Pipeline on a vessel at Valdez, Alaska. Carrier will not collect from Shippers the additional five (5) cents per Barrel if at any time Carrier is not required to pay the added charge.</p>

RULES AND REGULATIONS

ITEM NO.	SUBJECT	RULES AND REGULATIONS
18.	Rates Applicable from and to Intermediate Points	<p>Petroleum received from a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point from which rates are published in any rate tariffs making references to this tariff, will be assessed the rate in effect from the next more-distant point published in any rate tariff making reference to this tariff.</p> <p>Petroleum delivered to a point on the System which is not named in any rate tariffs making reference to this tariff but which point is intermediate to a point to which rates are published in any rate tariffs making reference to this tariff, will be assessed the rate in effect to the next more-distant point published in any rate tariff making reference to this tariff.</p>
19.	In Transit Shipments	<p>Petroleum transported through Carrier's facilities from any origin point may be withdrawn from the System by the Shipper at any established delivery point with the privilege of subsequently reforwarding all or a portion of a like volume through Carrier's facilities to Valdez, Alaska, and loading on vessels, provided:</p> <ol style="list-style-type: none"> 1. The applicable rate from the initial point of origin of the shipment to Valdez, Alaska shall be paid upon withdrawal of such Petroleum from the System or in advance thereof as required under Item No. 13. 2. The timing of redelivery of Petroleum for further transportation to Valdez, Alaska shall be such that the further transportation of Petroleum occupies but does not exceed the space vacated in Carrier's portion of the System by withdrawal of the Petroleum by the same Shipper under this tariff. 3. Custody and possession of the Petroleum upon withdrawal shall be that of the Shipper, not the Carrier. 4. Shippers availing themselves of these withdrawal and reforwarding privileges must keep complete and accurate records and permit inspection of such records by an authorized agent of Carrier or its representative as is necessary for the efficient supervision of such traffic.
20.	Additives	Carrier reserves the right to inject or approve the injection of corrosion inhibitors, viscosity or pour point depressants, and drag reducing additives in the Petroleum to be transported.
21.	Liability for Non-Compliance with Tariff	Any Shipper or Consignee who does any act or permits any act to be done which violates the terms of this tariff shall be liable to Carrier for all loss, damage, or injury caused thereby or resulting therefrom.
22.	Connections to The Trans Alaska Pipeline System	Connections to the System will be allowed in accordance with laws and regulations applicable to common carrier pipeline companies and requirements in the instruments granting the right of way for the Trans Alaska Pipeline System, for the purpose of transporting Petroleum through the System. All connectors must comply with the Trans Alaska Pipeline System Connection Guidelines. A copy of such Guidelines will be available on request to Carrier.
23.	[N] Base Inventory Requirement [N]	Carrier will require each Shipper to supply its pro rata share of Base Inventory. Changes to pro rata share will be phased up or down over 7 days (1/7 th per day). Inventory cannot be lifted until the base requirement is met.
	[N]	Petroleum provided by a Shipper for this purpose may be withdrawn from the System only with the prior approval of Carrier.

Quality Bank Tariff Materials

Supplement No. 1 to F.E.R.C. No. 52 (Amerada)
Supplement No. 1 to F.E.R.C. No. 23 (BP)
Supplement No. 1 to F.E.R.C. No. 69 (ExxonMobil)
Supplement No. 1 to F.E.R.C. No. 47 (Phillips)
Supplement No. 1 to F.E.R.C. No. 4 (Phillips Transportation)
Supplement No. 1 to F.E.R.C. No. 206 (Unocal)
Supplement No. 1 to F.E.R.C. No. 4 (Williams)

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PHILLIPS TRANSPORTATION ALASKA, INC. (PHILLIPS TRANSPORTATION)
UNOCAL PIPELINE COMPANY (UNOCAL)
WILLIAMS ALASKA PIPELINE COMPANY, L.L.C. (WILLIAMS)**

LOCAL PIPELINE TARIFF

**CONTAINING THE TAPS
QUALITY BANK METHODOLOGY**

GENERAL APPLICATION

This tariff shall apply only to those tariffs which specifically incorporate this tariff, supplements to this tariff and successive issues hereof, by reference.

SPECIAL PERMISSION REQUESTED

Issued on nine days' notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

NOTICES

[W] The decreases noted in Attachment 2A are made to comply with this Commission's Order Adopting Contested Settlement in Docket No. OR89-2-007, *et al.*, *Trans Alaska Pipeline System*, 81 F.E.R.C. ¶ 61,319 (1997), and the Alaska Public Utilities Commission's Order Adopting Federal Energy Regulatory Commission Order Approving Contested Settlement in Docket Nos. P-89-1, *et al.*, *In re Formal Complaint of Tesoro Alaska Petroleum Co.*, Order P-89-1(87) (1998).

For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 41 (Amerada), F.E.R.C. No. 17 (BP), F.E.R.C. No. 6 (ExxonMobil), F.E.R.C. No. 35 (Phillips), F.E.R.C. No. 2 (Phillips Transportation), F.E.R.C. No. 189 (Unocal), F.E.R.C. No. 2 (Williams), supplements thereto and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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Attachment 2A cancels Attachment 2

ATTACHMENT 2A

COMPONENT UNIT VALUE PRICING BASIS

PROPANE (C₃)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

ISOBUTANE (iC₄)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

NORMAL BUTANE (nC₄)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

LIGHT STRAIGHT RUN (C₅ - 175°F)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Dynergy.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

NAPHTHA (175° - 350°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.	Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.

LIGHT DISTILLATE (350° - 450°F)

[D]

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.5283 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.5283 cents per gallon.

[D]

HEAVY DISTILLATE (450° - 650°F)

[D]

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 2.1126 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Gasoil for October, 1999 less 0.9973 cents per gallon.

GAS OIL (650° - 1050°F)

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.

RESID (1050°F and Over)

[D]

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 6 Fuel Oil 3.0% Sulfur less 4.7534 cents per gallon.	Platt's U.S. West Coast spot quote for Pipeline 380 cst at Los Angeles converted to \$/Bbl using 6.37 Bbl/MT less 4.7534 cents per gallon.

[D]

Explanation of symbols:

[D] Decrease

[W] Change in wording only

F.E.R.C. No. 52 (Amerada)
(Cancels F.E.R.C. No. 51)
F.E.R.C. No. 23 (BP)
(Cancels F.E.R.C. No. 22)
F.E.R.C. No. 69 (ExxonMobil)
(Cancels F.E.R.C. No. 7)
F.E.R.C. No. 47 (Phillips)
(Cancels F.E.R.C. No. 45)
F.E.R.C. No. 4 (Phillips Transportation)
(Cancels F.E.R.C. No. 19 ARCO Transportation Alaska, Inc. series)
F.E.R.C. No. 206 (Unocal)
(Cancels F.E.R.C. No. 190)
F.E.R.C. No. 4 (Williams)
(Cancels F.E.R.C. No. 30 Mobil Alaska Pipeline Company series)

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PHILLIPS ALASKA PIPELINE CORPORATION (PHILLIPS)
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LOCAL PIPELINE TARIFF

**CONTAINING THE TAPS
QUALITY BANK METHODOLOGY**

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SPECIAL PERMISSION REQUESTED

Issued on less than one day's notice under authority of 18 C.F.R. § 341.14. This tariff publication is conditionally accepted subject to refund pending a 30-day review period.

NOTICES

[W] This tariff is issued in part to comply with orders issued by the Regulatory Commission of Alaska ("RCA"), *In re Joint Application of Atlantic Richfield Co. and Phillips Petroleum Co.*, P-00-12(1) (July 26, 2000); *In re Application for Transfer of Certificate*, P-00-08(1) (June 20, 2000).

[W] For rules and regulations other than the TAPS Quality Bank Methodology tariff, see F.E.R.C. No. 41 (Amerada), F.E.R.C. No. 17 (BP), F.E.R.C. No. 6 (ExxonMobil), F.E.R.C. No. 35 (Phillips), F.E.R.C. No. 2 (Phillips Transportation), F.E.R.C. No. 189 (Unocal), F.E.R.C. No. 2 (Williams), supplements thereto and reissues thereof.

The provisions published herein will, if effective, not result in an effect on the quality of the human environment.

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ATTACHMENT 1 - Yield Data for Example Streams

ATTACHMENT 2 - Component Unit Value Pricing Basis

ATTACHMENT 3 - Example Component Unit Values in \$/Bbl

ATTACHMENT 4 - Example Stream Values in \$/Bbl

ATTACHMENT 5 - Quality Bank Calculation Example

TAPS QUALITY BANK METHODOLOGY

I. GENERAL PROVISIONS

A. Quality Bank Administrator

The TAPS Quality Bank shall be administered by the Quality Bank Administrator, who shall be appointed by the TAPS Carriers, and by those designated by the Quality Bank Administrator to assist the Administrator (hereinafter collectively referred to as the "Quality Bank Administrator").

B. Information Furnished to the State of Alaska

The Quality Bank Administrator shall furnish to the State of Alaska ("State") each month copies of the invoices for Quality Bank adjustments and supporting data sent to each shipper. Such information is furnished to the State based upon the State's representation that it will hold such information in confidence and that such information will be used only by officers or agents of the State in the exercise of the officers' or agents' powers.

II. QUALITY BANK MONETARY ADJUSTMENTS ATTRIBUTABLE TO SHIPMENTS DURING THE TRANSITION PERIOD. This Section is cancelled.

III. QUALITY BANK PROCEDURES

A. Overview

A distillation-based methodology shall be implemented at all Trans Alaska Pipeline System ("TAPS") Quality Banks (other than the TAPS Valdez Marine Terminal Quality Bank).

This methodology for calculation of the TAPS Quality Bank debits and credits is based on valuations of petroleum components. This methodology shall apply to the specific petroleum (as defined in the tariffs) streams identified in Sections III.B, III.C, and III.D, and also shall be applied to any streams tendered to TAPS through a new connection. The Quality Bank value of each petroleum stream shall be the volume-weighted sum of the Quality Bank values of its components. The characteristics and volumes of components for each separate petroleum stream are based on assay information obtained using a defined set of testing procedures as set forth in Section III.F. Quality Bank credits and debits are determined by comparing the Quality Bank value of each petroleum stream to the appropriate calculated TAPS "reference" stream Quality Bank value.

B. Quality Bank Streams at Pump Station No. 1 Quality Bank

1. The TAPS Pump Station No. 1 Quality Bank assesses the following four streams: (1) PBU IPA;¹ (2) Lisburne; (3) Endicott Pipeline; and (4) Kuparuk Pipeline.

2. The Pump Station No. 1 Quality Bank reference stream is the blended common stream leaving Pump Station No. 1. The reference stream Quality Bank value is calculated using the volume weighted average of the four Quality Bank streams identified above plus any streams tendered to TAPS through a new Pump Station No. 1 connection.

C. Quality Bank Streams at GVEA Quality Bank

1. The GVEA Quality Bank streams are the combined [W] Williams and Petro Star refinery return stream delivered to TAPS by the GVEA Pipeline and the passing TAPS common stream at the GVEA offtake point, both of which are measured at the GVEA connection.

¹ PBU IPA is the abbreviation for the Prudhoe Bay Unit Initial Participating Areas.

2. The GVEA Quality Bank reference stream is the blended TAPS stream immediately downstream from the GVEA return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the GVEA Quality Bank streams identified above.

D. Quality Bank Streams at Petro Star Valdez Refinery Connection Quality Bank

1. The TAPS Petro Star Valdez Refinery ("PSVR") Connection Quality Bank streams are the refinery return stream delivered to TAPS by Petro Star and the passing TAPS common stream at the PSVR offtake point.

2. The Petro Star Valdez Quality Bank reference stream is the blended TAPS stream immediately downstream from the Petro Star return stream connection. The reference stream Quality Bank value is calculated using the volume weighted average of the two PSVR Quality Bank streams identified above.

E. Methodology for Valdez Tanker Load Out Quality Bank

1. A gravity-based Quality Bank methodology shall be used to determine the TAPS Quality Bank adjustments for volumes loaded out of the TAPS Marine Terminal at Valdez, Alaska.

2. The daily average six month gravity differentials posted for November 1 - April 30 and May 1 - October 31 for California and West Texas Sour crude oils, applicable to the range(s) of gravity which includes the average API gravity of the TAPS commingled stream at Valdez (sometimes referred to as "ANS"), shall be determined. The postings of the following companies shall be used for West Texas Sour crude oils: Amoco Production Company, Chevron Products Company, [W] Exxon Mobil Corporation, and [W] Equiva Trading Company. The postings of the following companies shall be used for California crude oils: [W] Equiva Trading Company, [W] Exxon Mobil Oil Corporation, Union 76 (Tosco Refining Company) and Chevron Products Company. In the event that any of the aforementioned companies is merged or acquired by other companies, sells assets or reorganizes, the postings of any successor companies shall be utilized. As long as at least two companies' gravity differentials are posted in each region (West Texas and California), the postings shall be averaged to determine the gravity differentials for that region.

3. The aforementioned six month average gravity differentials for the specified companies in each region shall be used to derive a simple average West Texas Sour differential and a simple average California differential.

4. The average West Texas Sour differential and the average California differential shall then be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Hawaii), respectively, which percentages shall be determined by averaging for the most recent six-month period for which data are available the percentage distributed to each region as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency). Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

5. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the weighting of the average differentials shall be adjusted to reflect the percentage of ANS actually distributed to such regions both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions, provided, however, that any shipper may protest such determination by filing a complaint with the Quality Bank Administrator and thereafter filing an appropriate pleading with the FERC and [W] RCA if the complaint is not otherwise resolved.

6. The quality adjustment shall be reviewed each November and May, and shall be adjusted to the nearest hundredth of a cent per one-tenth degree API gravity per barrel whenever the amount of any change in the quality adjustment derived above is at least five (5) percent greater or five (5) percent less than the adjustment then in effect. The effective dates of any such adjustments shall be the following January 1 and July 1 respectively.

7. The quality differential in effect shall be applied to the difference in gravity (in API degrees @ 60° Fahrenheit) between the weighted average gravity of the petroleum delivered out of the Terminal during a calendar month and the weighted average gravity of petroleum received out of the Terminal by an individual shipper during such month.

F. Methodology For Pump Station No. 1, GVEA Connection and PSVR Connection

1. Assay Methodology – Sampling Procedure

Except as specified below, and except for the reference streams, each of the Quality Bank streams listed above (for Pump Station No. 1, GVEA, and PSVR Quality Banks) will be sampled by the Quality Bank Administrator using continuous monthly composite samplers on a flow rate dependent basis, and assays of these continuously collected samples shall be performed monthly by the Quality Bank Administrator.

2. Assay Analysis Procedure

a. Except as specified in paragraph b. below, the assays will include a true boiling point ("TBP") distillation and, as applicable, gas chromatograph analysis of each Quality Bank stream. Specifically, the TBP procedure will employ ASTM 2892 up to 650°F and ASTM 5236 for the 650 to 1050+°F range for the petroleum samples. The light ends (175°F minus) from the petroleum streams will be subject to a gas chromatograph analysis to determine the volumes of the propane ("C3"), Iso-butane ("iC4"), and normal butane ("nC4"), with the light straight run ("LSR") (sometimes referred to as natural gasoline) volume determined by difference between the total of the three components and the measured 175°F minus volume.

b. The specific gravities of C3, iC4, nC4 will be derived from GPA Standard 2145.

3. Assay Data

a. The following volume and quality data will be determined for each stream.

<u>Component</u>	<u>TBP Boiling Range °F</u>	<u>% Vol</u>	<u>Specific Gravity</u>
Propane (C3)		X	X
I-Butane (iC4)		X	X
N-Butane (nC4)		X	X
LSR	C5-175	X	X
Naphtha	175-350	X	X
Light Distillate	350-450	X	X
Heavy Distillate	450-650	X	X
Gas Oil	650-1050	X	X
Resid	1050+	X	X
Full Petroleum Stream			X

b. The total volume must add to 100% and the total component weighted mass must be checked against the mass of the full petroleum stream. These weight balances must be the same within calculation and assay precision. If the assay fails this threshold test of validity, a second assay shall be performed on the sample. An example of assay data required is presented in Attachment 1. These data are the basis for all calculations in this Quality Bank methodology. The Quality Bank operates on a calendar month basis, with the continuous samples retrieved for analysis on the last day of each month.

c. The Quality Bank Administrator shall investigate the validity of a sample if each of the following two tests is met.

(i) If one or more of an individual stream's reported component percentages for a month varies by more than the ranges indicated in the following table as compared to the prior month's assay.

**Variation in % of Stream
Relative to Prior Month**

Component

Propane	± 0.1
I-Butane	± 0.1
N-Butane	± 0.25
LSR	± 0.5
Naphtha	± 1.0
Light Distillate	± 1.0
Heavy Distillate	± 1.0
Gas Oil	± 1.5
Resid	± 1.0

As an example, if a petroleum stream's heavy distillate volume percent is 23% for the prior month, a heavy distillate volume percent less than 22% or greater than 24% (exceeding the $\pm 1\%$ range) shall cause the Quality Bank Administrator to check the second test.

(ii) The second test is whether the volume change in the specific component has resulted in a significant change in the stream's relative value when compared to the prior month's relative value using the prior month's prices. If the change results in a price movement of more than $\pm 15\text{¢}$ per barrel, then the sample's validity must be investigated.

(iii) The Quality Bank Administrator shall ascertain from the tendering shipper(s) possible causes for the change in the stream's assay. The Quality Bank Administrator may have a second assay performed for the sample in question. The Quality Bank Administrator may decide that the first assay is valid, that the second assay is valid, or that the sample is invalid.

(iv) Should the Quality Bank Administrator determine that a sample is invalid, the last assay results accepted and used in the Quality Bank for the stream will be used instead of the invalid sample in the Quality Bank calculation.

G. Component Unit Value Procedure

1. Component unit values for the U.S. Gulf Coast and U.S. West Coast will be weighted by the percentage of ANS which is distributed east of the Rockies (including Puerto Rico and the Virgin Islands) and to the West Coast (including Hawaii), respectively. The placement data as reported by the Maritime Administration of the United States Department of Transportation (or any successor government agency), will be updated twice a year (in November and May) based on the most recently available six month history of ANS placements. The effective dates of such updated weighting shall be the following January 1 and July 1 respectively. Volumes exported from the United States shall be excluded from the calculation of the percentages distributed to each region.

2. In the event that ANS is transported by pipeline from the West Coast to destinations east of the Rockies, the price weighting shall be adjusted to reflect the percentage of ANS actually distributed to each region both by vessel and pipeline. If such data regarding the destination of ANS transported by pipeline are not publicly available from the Maritime Administration, or any other government agency, the Quality Bank Administrator shall determine the percentage of ANS distributed to such regions.

3. The product prices used to calculate component unit values are taken from the Platt's Oilgram Price Report ("Platt's") and the Oil Pricing Information Service ("OPIS") as set forth in Attachment 2. Prices will be collected for each day markets are open and published prices are available (each "quote day"). The calculated monthly average price will be the average of each quote day mid-point price for the month. These resulting monthly average prices (adjusted as shown in Attachment 2) are used to calculate component unit values each month.

4. [W] In January of each year the adjustments to the prices for Light Distillate, Heavy Distillate, and Resid shall be revised in accordance with changes in the Nelson-Farrar Index (Operating Indexes Refinery) published in the Oil & Gas Journal, by multiplying the adjustments in effect for the previous year by the ratio of (a) the average of the monthly indexes that are then available for the most recent 12 consecutive months to (b) the average of the monthly indexes for the previous (i.e., one year earlier) 12 consecutive months.

5. a. In the event that one of the product prices listed in Attachment 2 is no longer quoted in one of the two markets (West Coast or Gulf Coast), the price quoted for the product in the remaining market shall be used to value the entire component.

b. If both of the product prices listed in Attachment 2 for a component are no longer quoted or if the specifications or other basis for the remaining quotation(s) is radically altered, the Quality Bank Administrator shall notify the FERC, the [W] RCA and all shippers of this fact and propose an appropriate replacement product price, with explanation and justification. Comments may be filed with the FERC and [W] RCA within thirty days of the filing by the Quality Bank Administrator. If the FERC and [W] RCA take no action within sixty days of the filing, the replacement product price proposed by the Quality Bank Administrator will become effective as of the sixtieth day. [W] For the period between the time that quotation of a product price is discontinued or the specifications or other basis for a quotation is radically altered and the time that the Commissions approve the use of a replacement product price, the Quality Bank Administrator shall use as the unit value of the component in question the unit value for the last month for which a product price was available for such component.

6. For any particular month of Quality Bank calculations, the pricing data for the month of shipment will be used (i.e., the prices are current with the volumes and assay data).

H. Quality Bank Stream Component Calculation Procedure

After all volume, quality, and pricing data are collected, the Quality Bank Administrator will establish quality differentials for each stream identified in Sections III.B., III.C., and III.D.

I. Quality Bank Calculations Procedure

The assay data and calculation procedures required by this Methodology are summarized in the Attachments. The Attachments are for reference purposes only and are not intended to predict the impact of this procedure on any specific petroleum stream or any specific company. In the event of a conflict between the provisions of this Methodology as set forth above and the Attachments, the provisions of this Methodology shall control.

ATTACHMENT 1: Yield Data for Example Streams
 ATTACHMENT 2: Component Unit Value Pricing Basis
 ATTACHMENT 3: Example Component Unit Values in \$/Bbl
 ATTACHMENT 4: Example Stream Values in \$/Bbl
 ATTACHMENT 5: Quality Bank Calculation Example

J. Unanticipated Implementation Issues

This Methodology is intended to contain a comprehensive treatment of the subject matter. However, unanticipated issues concerning implementation of this Methodology may arise. If so, the Quality Bank Administrator is authorized to resolve such issues in accordance with the best understanding of the intent of the FERC and [W] RCA that the Quality Bank Administrator can derive from their orders regarding the Quality Bank methodology. The Quality Bank Administrator's resolution of any such issue shall be final unless and until changed prospectively by orders of the FERC and [W] RCA.

Explanation of Symbols: [W] Change in wording only.

311866 IDOC

ATTACHMENT 1
YIELD DATA FOR EXAMPLE STREAMS

COMPONENT	DEFINITION	STREAM A	STREAM B	STREAM C
	BOILING RANGE (°F)			
PROPANE (C ₃)	---	0.15	0.00	0.10
ISOBUTANE (iC ₄)	---	0.10	0.02	0.40
NORMAL BUTANE (nC ₄)	---	0.50	0.10	2.00
LSR	C5-175	4.50	3.50	6.00
NAPHTHA	175-350	13.50	11.00	5.50
LIGHT DISTILLATE	350-450	9.00	9.00	2.00
HEAVY DISTILLATE	450-650	21.00	22.00	16.00
GAS OIL	650-1050	31.25	30.38	41.00
RESID	1050+	20.00	24.00	27.00
TOTAL		100.00	100.00	100.00
EXAMPLE VOLUME, Thousand Barrels per Month		34,000	9,000	2,500

ATTACHMENT 2

COMPONENT UNIT VALUE PRICING BASIS

PROPANE (C₃)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Propane.	OPIS's (weekly) Los Angeles delivered spot quote for Propane.

ISOBUTANE (iC₄)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Isobutane.	OPIS's (weekly) Los Angeles delivered spot quote for Isobutane.

NORMAL BUTANE (nC₄)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Normal Butane.	OPIS's (weekly) Los Angeles delivered spot quote for Normal Butane.

LIGHT STRAIGHT RUN (C₅ - 175°F)

United States Gulf Coast	United States West Coast
Platt's Mt. Belvieu, TX spot quote for Natural Non-Dynergy.	OPIS's (weekly) Bakersfield delivered spot quote for Natural Gasoline.

NAPHTHA (175° - 350°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.	Platt's U.S. Gulf Coast spot quote for Waterborne Naphtha.

LIGHT DISTILLATE (350° - 450°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne Jet Kerosene 54 less 0.4906 cents per gallon.	Platt's U.S. West Coast spot quote for Waterborne Jet Fuel less 0.4906 cents per gallon.

HEAVY DISTILLATE (450° - 650°F)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 2 less 1.9620 cents per gallon.	[W] Platt's U.S. West Coast spot quote for Waterborne Gasoil for October, 1999 less 0.9973 cents per gallon. See note below.

GAS OIL (650° - 1050°F)

United States Gulf Coast	United States West Coast
OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.	OPIS's U.S. Gulf Coast spot quote for barge High Sulfur VGO.

RESID (1050°F and Over)

United States Gulf Coast	United States West Coast
Platt's U.S. Gulf Coast spot quote for Waterborne No. 6 Fuel Oil 3.0% Sulfur less 4.4145 cents per gallon.	Platt's U.S. West Coast spot quote for Pipeline 380 cst at Los Angeles converted to \$/Bbl using 6.37 Bbl/MT less 4.4145 cents per gallon.

Explanation of symbols: [N] New
 [W] Change in wording only

[N] Note -- The West Coast Heavy Distillate unit value is effective November 1, 1999 pursuant to the FERC and RCA orders referenced on the cover.

ATTACHMENT 3
EXAMPLE COMPONENT UNIT VALUES IN \$/Bbl

COMPONENT NAME	WEST COAST (\$/Bbl)	GULF COAST (\$/Bbl)	WEIGHTED AVERAGE (\$/Bbl)
Propane (C ₃)	19.7925	15.0442	19.68
Isobutane (iC ₄)	24.1238	18.4333	23.99
Normal Butane (nC ₄)	18.1125	18.4800	18.12
LSR (C ₅ - 175°F)	18.5850	19.5854	18.61
Naphtha (175°F - 350°F)	21.3383	21.3383	21.34
Light Distillate(350°F - 450°F)	25.9817	22.9396	25.91
Heavy Distillate(450°F - 650°F)	23.0000	22.1112	22.98
Gas Oil (650°F - 1050°F)	20.8133	21.8133	20.84
Resid (1050°F and over)	14.6349	15.0000	14.64
WEIGHTING FACTOR	97.71	2.29	

ATTACHMENT 4
EXAMPLE STREAM VALUES IN \$/Bbl

COMPONENT NAME	STREAM A	STREAM B	STREAM C
Propane (C3)	0.029520	0.000000	0.019680
Isobutane (iC4)	0.023990	0.004798	0.095960
Normal Butane (nC4)	0.090600	0.018120	0.362400
LSR (C5 - 175°F)	0.837450	0.651350	1.116600
Naphtha (175°F - 350°F)	2.880900	2.347400	1.173700
Light Distillate(350°F - 450°F)	2.331900	2.331900	0.518200
Heavy Distillate(450°F - 650°F)	4.825800	5.055600	3.676800
Gas Oil (650°F - 1050°F)	6.512500	6.331192	8.544400
Resid (1050°F and over)	2.928000	3.513600	3.952800
TOTAL	20.460660	20.253960	19.460540

ATTACHMENT 5
QUALITY BANK CALCULATION EXAMPLE

QUALITY BANK REFERENCE STREAM VALUE CALCULATION

	<u>VOLUME</u> (MBPM)	<u>VALUE</u> (\$/Bbl)	<u>TOTAL VALUE</u> M\$/Month
STREAM A	34,000	20.460660	\$ 695.66
STREAM B	9,000	20.253960	\$ 182.29
STREAM C	2,500	19.460540	\$ 48.65
TOTAL: (REFERENCE STREAM)	45,500	20.364823 ⁽¹⁾	\$ 926.60

(1) Total value divided by total volume.

QUALITY BANK PAYMENT/RECEIPT CALCULATIONS

	<u>DIFFERENTIAL</u> ⁽²⁾	<u>(MBPM)</u>	<u>PAYMENT OR RECEIPT</u> <u>(M\$/Month)</u> ⁽³⁾
STREAM A	0.095837	34,000	\$ 3,258.47
STREAM B	(0.110863)	9,000	\$ (997.76)
STREAM C	(0.904283)	2,500	\$ (2,260.71)

(2) Stream value minus reference value.
(3) Differential times volume.

Compliance

Applicant's Compliance Summary Statement

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Applicant's Compliance Summary Statement

I. Introduction

The Trans-Alaska Pipeline System (TAPS) is owned by six companies who have selected Alyeska Pipeline Service Company (Alyeska) as their common agent for the operation and maintenance of TAPS. Alyeska maintains compliance with the Federal Grant and State Lease requirements and with applicable laws and regulations through the institution of corporate policy, the application of systems and processes, and the employment and training of knowledgeable personnel. Separate and apart from Alyeska's compliance systems, there are numerous state and federal regulatory agencies that work to provide public assurance of compliance with TAPS requirements.

II. Alyeska's Corporate Policy

Alyeska has implemented Corporate Policies that set standards for the actions of employees and contractors working on TAPS. Several of these policies are quoted below.

- Corporate Compliance Policy: "Alyeska Pipeline Service Company employees and its contractors will comply with all applicable laws and regulations, State and Federal Right-of-Way agreements, permits, other binding agency agreements or authorizations and with all our Policies."
- Corporate Environment Policy: "Alyeska Pipeline Service Company employees and its contractors will conduct business in a manner to protect and preserve the spectacular scenic beauty and sensitive ecosystems in which the Trans Alaska Pipeline System operates."
- Corporate Safety and Loss Prevention Policy: "Alyeska Pipeline Service Company will conduct its business in accordance with the highest transportation and petroleum industry safety standards."
- Corporate Employee Code of Conduct Policy: "Alyeska Pipeline Service Company employees and its contractors will conduct business operations in a manner that conforms to the highest ethical, moral and legal principles."

III. Alyeska's Compliance Systems and Processes

Alyeska has a comprehensive collection of systems and processes that provide the framework for the compliance system. A fundamental premise of the program is the expectation and commitment to continuously improve these activities. The primary systems and components include: (a) the Alyeska Integrity Management System (AIMS), (b) the Quality Assurance Program (QA-36), (c) the Corporate Safety Program, (d) the Environmental Management System, (e) the Operations and Maintenance Programs, (f) the Alyeska Regulatory Compliance System (ARCS), (g) the Internal Audit Program, (h) the Training Program, and (i) the Employee Concerns Program.

(a) Alyeska Integrity Management System (AIMS). AIMS is a program used to document and communicate management's expectations for good business practices to be found in Alyeska's systems and processes. It is a tool for assessing the performance of management systems and integrating continuous improvement into those systems. There are several elements in AIMS, one of which is the Compliance Element. This element states: "Full compliance with all applicable regulatory, legal, and company requirements is a commitment of Alyeska Pipeline Service Company. Consequently, changes in laws and regulations must be reflected in facilities and operating practices to ensure ongoing compliance." Regular assessments of the status and effectiveness of systems are an integral part of AIMS.

(b) Quality Assurance Program (QA-36). Alyeska's Quality Assurance Program is for the purpose of preventing, detecting and abating actual or potential conditions adverse to quality. The Alyeska Quality Assurance Program is defined in the Quality Program Manual (QA-36) and attendant implementing procedures. Integral to this program, however, are other Alyeska programs, such as the environment and safety programs and the operations and maintenance-related programs discussed below. The Quality Assurance Program provides the management controls to implement corporate policy, including maintaining the safety and integrity of TAPS as specified in the Right-of-Way Grant and Lease agreements. The Quality Program includes regular assessment and surveillance activities, and tools such as the corrective action report (CARs) and non-conformance report (NCRs) which identify and track quality-related issues to appropriate resolution.

(c) Corporate Safety Program. Alyeska's Corporate Safety Program ensures Alyeska complies with federal, state and corporate requirements for fire, safety, industrial hygiene and health. The Corporate Safety Program utilizes a core manual referred to as SA-38 and knowledgeable personnel in numerous fields along with internal reviews, surveillances and inspections. The safety program at Alyeska is assessed using standard industry measures and safety inspections. In addition, accident and incident investigations are conducted as needed.

(d) Environmental Management System. Alyeska's Environmental Management System is defined in the Alyeska Annual Environmental Management Plan (Annual Business Plan) and the Environmental Management System Compliance Manual (EMS Compliance Manual). The Annual Business Plan is designed to provide for the allocation of personnel and resources to support the APSC Environmental Teams for that year. It includes the general responsibilities of the Environment Team, Alyeska's Environmental Policy and Values and the Strategic, Program and Financial Plans for the current year. The EMS Compliance Manual is a detailed compilation, by program such as air, water, waste and wildlife, of the environmental regulatory requirements applicable to TAPS, an identification of the work required to maintain compliance, and a road-map for the procedures or controls. It is also updated on an annual basis. The Alyeska Environmental Manual (EN-43) provides the details on how to meet state and federal requirements and includes the environmental safe operating procedures to ensure compliance with applicable federal and state requirements, including environmental permits and agency authorizations, and the Grant and Lease.

The Environment Team conducts environmental surveillance activities to support and facilitate the systematic evaluation of compliance with environmental requirements for the operation and maintenance of TAPS. The surveillance activities are performed to provide an accurate and timely assessment of compliance with environmental requirements, as well as the effectiveness of procedures to address the requirements. Environmental surveillances look both at controls (procedures, manuals, training, and systems) as well as point-in-time compliance (verification). Review of environmental performance also includes the performance of the contractors that work on TAPS for Alyeska.

These programs ensure Alyeska complies with applicable environmental stipulations and requirements and minimize environmental issues that could adversely affect health and safety; air and water quality; fish, wildlife and their habitats; and cultural resources.

(e) Operations and Maintenance Programs. There are several programs that provide the framework for the safe operation and maintenance of TAPS. Integral to these programs is the employment of qualified and knowledgeable personnel and the utilization of manuals that contain standards and procedures. The key manuals include: operations manuals for the mainline pipe and the fuel gas line (OM-1 and FG-78); the TAPS Controller Operating Manual (DO-14); the maintenance and repair manual for the right-of-way and the pipeline (MR-48); the Surveillance Manual for the mainline pipe and fuel gas line (MS-31); the System Integrity Monitoring Program Procedures (MP-166); the Maintenance System Manual (MP-167); the Design Basis Manual (DB-180); the TAPS Engineering Manual (PM 2001); the Pipeline Operating Procedures (PL-123); the Pipeline Oil Discharge Prevention and Contingency Plan (CP-35); and the Emergency Contingency Action Plan (EC-71).

A new manual, the Grant and Lease Manual (GL-2), is currently under development. This manual will provide a centralized location for requirements in the Grant and Lease and corresponding implementing processes and procedures.

(f) Alyeska Regulatory Compliance System (ARCS). ARCS is an internal intranet-based system designed to assist management and employees by providing a centralized listing of regulatory requirements applicable to the safe operation, maintenance, and modification of TAPS. It also lists the in-house regulatory specialists (approximately 42) and the implementing methods of compliance, such as the manuals, procedures, and training courses. ARCS is updated, as needed, based on information provided by in-house regulatory specialists.

(g) Internal Audit Program. The TAPS Internal Audit Program provides an objective assessment of TAPS business practices. Alyeska management is charged with ensuring that effective systems of sound financial, operational and management control of the organization are formulated and maintained. Internal Audit is a key part of the control environment as it works to evaluate systems, make recommendations and report on the adequacy and effectiveness of the system of internal control in place for all business activities of the Company.

An up-to-date register of audit opportunities, known as the audit registry, is maintained. Identifiable business activities are included in the register and are assigned an audit cycle of typically 2 to 4 years. Each year an audit plan is prepared, based on the registry and current concerns. The scope and frequency of each audit is determined by the exposure each area represents to TAPS.

The Audit group also serves as a point of contact for audits conducted by the TAPS Owners, public accountants and audits conducted by external agencies, such as the Bureau of Land Management.

(h) Training Program. Alyeska's training program is implemented through the use of computerized databases and knowledgeable training staff. The databases identify and track training requirements and certifications. There are four main categories of training: Regulatory-required, company-directed, technical and developmental. Each year there are approximately 100,000 hours of training provided for Alyeska employees and contractors. Each employee's annual performance is evaluated in part on the completion of the regulatory-required training.

(i) Employee Concerns Program (ECP). ECP is a program designed to give employees and contractors an opportunity to anonymously report safety, compliance and integrity concerns. ECP's duty is to evaluate and investigate the concerns or issues raised. Alyeska encourages and expects all employees to report compliance and safety issues or concerns. Alyeska has created various avenues for this reporting to occur. Alyeska's preference is for employees to raise concerns directly with their supervisors. If for whatever reason the employee is not comfortable doing so they may raise their concerns with other supervisors or managers, executive management, the ECP, or the Joint Pipeline Office.

IV. Alyeska's Knowledgeable Personnel

Alyeska employs personnel with knowledge or expertise in fields relevant to the operation and maintenance of TAPS. For example, there are individuals with knowledge in environmental subject matters areas such as air, water, and waste handling. There are also individuals with knowledge in technical subject matter areas such as valves, pipeline hydraulics and corrosion detection and prevention. These individuals maintain the necessary training and are in regular contact with agency staff and peers in the industry to ensure they are aware of the latest research, technologies or regulations in their field of expertise.

In addition, there are regulatory specialists who are subject matter experts on specific regulations, stipulations, or regulatory requirements Alyeska has committed to follow. A current list of these regulatory specialists is maintained in the Alyeska Regulatory Compliance System database (ARCS). A regulatory specialist is obligated to be the "one voice" or knowledgeable source on his or her assigned regulatory subject matter. As needed, regulatory specialists will call on internal and external sources for assistance when interpreting and applying regulatory requirements.

V. Government Oversight

There are some twenty state and federal regulatory agencies that monitor TAPS on behalf of the public. This results in TAPS being one of the most regulated pipelines in the United States. These agencies monitor ongoing operations, projects and other activities to ensure that pipeline integrity, environmental protection and public safety are achieved and maintained on TAPS.

(a) Joint Pipeline Office. The Joint Pipeline Office (JPO) was created to co-locate and facilitate coordination amongst the various federal and state agencies that regulate TAPS on a day-to-day basis. The lead coordinating agencies in that office are the Alaska Department of Natural Resources (DNR) for the state government and the Bureau of Land Management (BLM) within the Department of Interior for the federal government. The DNR and BLM have system-wide environmental, safety and system integrity compliance accountability to administer the State Lease and Federal Grant. They are also the lead agencies for TAPS Right-of-Way renewal. The DNR and BLM each issues the applicable land related permits and authorizations to Alyeska, as appropriate, for TAPS construction, operations and maintenance activities.

JPO instituted a program known as the Comprehensive Monitoring Program (CMP) as part of its compliance monitoring activities. It provides systematic monitoring of TAPS compliance through the use of periodic and focused surveillances, assessments and formal reports. Part of the CMP process involves the use of field-based JPO staff that on a day-to-day basis review and verify TAPS compliance with state and federal requirements. Some of the other agencies participating in the JPO or separately conducting TAPS oversight are mentioned below.

(b) U.S. Department of Transportation Office of Pipeline Safety (DOT-OPS). DOT-OPS monitors compliance with pipeline safety regulations (both for the mainline and fuel gas line) through the assignment of dedicated personnel. DOT-OPS personnel conduct frequent inspections and system reviews as part of their daily oversight activities. DOT-OPS coordinates closely with JPO agencies on systems integrity and safety issues. DOT-OPS also performs a comprehensive annual inspection as required by the regulations. DOT-OPS and Alyeska staffs maintain open and regular dialogue on compliance issues and the applicability of new or existing regulations. DOT-OPS receives and responds, as appropriate, to accident or safety-related condition reports submitted by Alyeska. The pipeline safety regulations require the operator to develop, maintain and update comprehensive manuals annually covering operations, maintenance, and abnormal and emergency conditions.

(c) Alaska Department of Environmental Conservation (ADEC). ADEC evaluates TAPS compliance through several program components. There are regular inspections of TAPS facilities for ADEC program requirements, such as for ADEC's air, water, and waste programs. ADEC also conducts periodic reviews of the state required oil spill contingency plans for TAPS. ADEC receives and reviews TAPS discharge, emissions and other monitoring reports (monthly or quarterly depending upon the permit). In addition, ADEC evaluates and monitors TAPS compliance as part of its permit acquisition and renewal process, and through the assignment of staff, both within and outside of JPO, dedicated to TAPS compliance. ADEC and Alyeska staffs maintain open and regular dialogue on compliance issues, participate in applicable rule-making processes, and implementation of new or existing regulations that may become applicable to TAPS.

(d) U.S. Environmental Protection Agency (EPA). EPA evaluates TAPS compliance through several program components. There are inspections of facilities for EPA's program requirements such as the NPDES, CAA, RCRA, and TSCA programs. EPA receives and reviews TAPS discharge, emissions and other monitoring reports (monthly, quarterly, semiannually or annually depending upon the permit or regulation). In addition, EPA evaluates and monitors TAPS compliance as part of its permit acquisition and permit renewal processes. EPA and Alyeska staffs maintain open and regular dialogue on compliance issues, participate in applicable rule-making processes, and implementation of new or existing regulations applicable to TAPS. EPA receives and reviews potential deficiencies reported by Alyeska consistent with EPA's policy

regarding self-disclosure. EPA stations a senior environmental specialist with the JPO to help coordinate and provide expertise in oil spill contingency plan review. EPA is also the Federal On-Scene Coordinator of spills along the TAPS mainline.

(e) Alaska Department of Fish and Game (ADF&G) / U.S. Fish and Wildlife (USF&W). ADF&G and USF&W work closely together through interagency reviews and permit pre-application meetings to provide oversight to avoid or minimize TAPS impacts to fish and wildlife, and their habitat. Impact mitigation is provided through permits and routine reviews with Alyeska. In some instances, environmental protection is achieved through special conditions administered under the provisions of the ROW Grant and Lease agreements. ADF&G has additional oversight and involvement through the assignment of one of its staff to the Joint Pipeline Office. Both agencies also actively participate in the review and implementation of the oil spill plans for the pipeline and marine terminal.

(f) Alaska Department of Labor (ADOL), Occupational Safety and Health (AKOSH). The Occupational Safety and Health Section protects Alaska workers from industrial accidents and job-related illness through the enforcement of state and federal standards (on behalf of US-DOL), and by training employers and employees to follow safe and healthful work practices. ADOL assigns staff to JPO for enforcement of the National Electric Code and AKOSH compliance and to monitor worker and public safety. ADOL further provides safety expertise to JPO to help administer safety stipulations of the State Lease and Federal Grant. In this capacity, ADOL/JPO staff conduct frequent safety and electrical inspections as well as investigating related incidents, accidents and events.

(g) Alaska Division of Governmental Coordination (ADGC). ADGC is located in the Office of the Governor and is the lead agency for coordinating the Alaska Coastal Management Program as it relates to TAPS.

(h) Alaska Department of Public Safety, Fire Marshal. The Fire Marshal concentrates its TAPS oversight efforts on fire and life safety inspections. The Fire Marshal provides staff to the JPO to enforce regulatory requirements and to provide expertise to assist JPO in monitoring fire-related stipulations of the State Lease and Federal Grant.

(i) U.S. Coast Guard. The U.S. Coast Guard's mission as it pertains to TAPS is to eliminate environmental damage and obstructions to navigable waters of the United States both inland and on the coast. They also monitor the Tanker Vapor Control System, tanker docking /loading, berth work activities and Prince William Sound tanker traffic.

(j) U. S. Army Corps of Engineers. The U.S. Army Corps of Engineers implements the Clean Water Act requirements governing the placement of dredge and fill materials into waters of the United States. In addition they implement the Rivers and Harbors Act, which governs activities that affect navigation in navigable waters of the United States.

VI. Conclusion

TAPS compliance with the Federal Grant and State Lease requirements and with laws and regulations is maintained through the institution of corporate policy, the application of systems and processes, and the employment and training of knowledgeable personnel. In addition, TAPS policies, systems and processes are regularly evaluated to enhance ongoing compliance. State and federal agencies, on behalf of the public, provide independent day to day oversight and additional assurance of TAPS compliance.

Internal and external independent review of TAPS systems and processes have demonstrated that they have been effective in maintaining compliance with State Lease and Federal Grant requirements. When compliance issues are discovered, TAPS Owners seek to ensure they are properly addressed and resolved. Therefore, TAPS meets the compliance requirement for renewal of the State Lease and Federal Grant of Right-of-Way.

Applicant's State Tax Statement

Applicant is current in all tax filings required under the laws of the State of Alaska, pertaining to Applicant's interest in the "Pipeline," as that term is defined in the Right-of-Way Lease for the Trans-Alaska Pipeline between the State of Alaska and Amerada Hess Corporation, et al., dated May 3, 1974. Such tax filings reside in the records of the relevant taxing authorities.

**Federal ROW
Renewal Application Submittal**



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411 West 4th Ave., Suite 2
Anchorage, AK 99501


Re: Renewal Of TAPS Right-of-Way And Associated Rights

Gentlemen:

Phillips Transportation Alaska, Inc. ("Phillips Transportation") respectfully seeks renewal of its undivided interest in the January 23, 1974 Agreement and Grant of Right-of-Way for Trans-Alaska Pipeline ("Federal Grant") and other rights associated with the Federal Grant ("Associated Rights"). To that end, this letter is followed by a SUPPLEMENTAL APPLICATION and accompanies a MASTER APPLICATION and related materials.

As you know, Phillips Transportation and the other TAPS Owners have established a Right-of-Way Renewal Team to work with the Federal Government, the State of Alaska, and stakeholders in renewing the TAPS Owners' rights. W. Steven Jones, Project Manager of the TAPS Right-of-Way Renewal Team, will serve as our contact on matters relating to this application to renew the Federal Grant and Associated Rights. Please direct all correspondence and notifications to W. Steven Jones.

Very truly yours,


Margaret A. Yaeger

SUPPLEMENTAL
**APPLICATION FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LANDS
TO THE MASTER APPLICATION**

FORM APPROVED
OMB NO. 1004-0060
Expires: December 31, 2001

FOR AGENCY USE ONLY

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

Application Number

Date filed

1. Name and address of applicant (*include zip code*)
Phillips Transportation Alaska, Inc.
700 G Street
Anchorage, AK 99501

2. Name, title, and address of authorized agent if different from Item 1 (*include zip code*)

3. TELEPHONE (area code)

Applicant
(907) 263-3710

Authorized Agent

4. As applicant are you? (*check one*)

- a. ☐ Individual
b. ☒ Corporation*
c. ☐ Partnership/Association*
d. ☐ State Government/State Agency
e. ☐ Local Government
f. ☐ Federal Agency

* If checked, complete supplemental page

5. Specify what application is for: (*check one*)

- a. ☐ New authorization
b. ☒ Renewing existing authorization No. See additional response on page 6.
c. ☐ Amend existing authorization No.
d. ☐ Assign existing authorization No.
e. ☐ Existing use for which no authorization has been received*
f. ☐ Other*

* If checked, provide details under Item 7

6. If an individual or partnership are you a citizen(s) of the United States? ☐ Yes ☐ No Not Applicable.

7. Project description (*describe in detail*): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications length, width, grading, etc.; (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (*Attach additional sheets, if additional space is needed.*)

- (a) Pipeline System, as defined generally in § 1.1.1.22 of Exhibit D to the January 23, 1974 Agreement and Grant of Right-of-Way for Trans-Alaska Pipeline ("Federal Grant");
(b) See generally Environmental Report for the Trans-Alaska Pipeline System Right-of-Way Renewal in Volume 3 ("Environmental Report") at §§ 2.1.1 and 4.2.1; Duration of Right-of-Way Renewal for the Trans-Alaska Pipeline System in Volume 2 ("Duration Report") at Appendix 4; Federal Line Lists in Volume 2 at Tab 1D- 1H;
(c) See generally Environmental Report at §§ 2.1.1 and 4.2.1 and Duration Report at Appendix 4;
(d) Renewal of authorizations for the maximum period allowed by law. See 30 U.S.C. § 185(n) and Duration Report generally;
(e) Year round;
(f) See generally Environmental Report at Appendices A and D (pps. D-1 through D-12);
(g) Not applicable;
(h) Not applicable.

8. Attach a map covering area and show location of project proposal See generally Environmental Report at Appendix C and Federal Lists in Volume 2 at Tabs 1D - 1H.

9. State or local government approval: ☐ Attached ☒ Applied for ☐ Not required

10. Nonreturnable application fee: ☐ Attached ☒ Not required

11. Does project cross international boundary or affect international waterways? ☐ Yes ☒ No (*If "yes," indicate on map*)

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

See generally Duration Report and Environmental Report, including § 2.1 and Appendices A, B and D, and 43 U.S.C. § 1653. Note also that Alyeska Pipeline Service Company ("Alyeska") has effectively operated and maintained TAPS for over 20 years and applicant owns an undivided interest in Alyeska. In addition applicant, through Alyeska, has the technical and financial capability to operate, maintain and terminate TAPS.

13a. Describe other reasonable alternative routes and modes considered.

Not applicable.

b. Why were these alternatives not selected?

Not applicable.

c. Give explanation as to why it is necessary to cross Federal Lands.

Existing TAPS facilities are located on and cross federal lands.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

See generally Federal and State Line Lists in Volume 2 at Tab 1.

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

See generally Environmental Report, including §§ 1.2; 3.3; 4.3.3, and Duration Report, including §§ 1; 3; 4; 8; and 9.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

See generally Environmental Report §§ 3.3; 4.3.3; 4.5 and Duration Report § 8. Additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

(a) See generally Environmental Report §§ 3.1.3; 4.3.1.3; 4.5; 4.8.2.3; (b) See generally Environmental Report §§ 3.1.3; 3.3.6.3; 4.3.1.3; 4.3.3.9; 4.5; (c) See generally Environmental Report §§ 3.1.1.6; 3.1.2.1; 4.2.1.3; 4.3.1.2; 4.5; 4.8.2.1; 4.8.2.2; (d) See generally Environmental Report §§ 3.1.1.6; 4.2.1.3; 4.3.1.2; 4.3.2.2; 4.5; (e) See generally Environmental Report §§ 3.1.3; 4.3.1.3; 4.5; (f) See generally Environmental Report §§ 3.1.1; 4.1.1; 4.2.1.1; 4.2.1.2; 4.3.1.1; 4.3.2.2; 4.5 (See continuation on page 6.)

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

(a) See generally Environmental Report §§ 3.2; 4.3.2; 4.5; 4.8.3; (b) See generally Environmental Report §§ 3.2.6; 3.3.3; 4.3.2; 4.3.3.3; 4.5; 4.8.3.4; 4.8.4.4. In both cases additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

See response on page 6.

20. Name all the Department(s)/Agency(ies) where this application is being filed.

The original application is being filed with the Bureau of Land Management.

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant

Margaret A. Yaege

Date

APR 30 2001

Title 18, U.S.C. Section 1001 and Title 43, U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS
AND FACILITIES ON FEDERAL LANDS

GENERAL INFORMATION
ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
4. Systems for the transmission and distribution of electric energy.
5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application **must** be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

Department of Agriculture
Regional Forester, Forest Service (USFS)
Federal Office Building, P.O. Box 21628
Juneau, Alaska 99802-1628
Telephone: (907) 586-7847 (or a local Forest Service Office)

Department of the Interior
Bureau of Indian Affairs (BIA)
Juneau Area Office
9109 Mendenhall Mall Road, Suite 5, Federal Building Annex
Juneau, Alaska 99802
Telephone: (907) 586-7177

Bureau of Land Management (BLM)
222 West 7th Ave., Box 13
Anchorage, Alaska 99513-7599
Telephone: (907) 271-5477 (or a local BLM Office)

National Park Service (NPS)
Alaska Regional Office 2525 Gambell St., Rm. 107
Anchorage, Alaska 99503-2892
Telephone: (907) 257-2585

U.S. Fish & Wildlife Service (FWS)
Office of the Regional Director
1011 East Tudor Road
Anchorage, Alaska 99503
Telephone: (907) 786-3440

Note-Filings with any Interior agency may be filed with any office noted above or with the: Office of the Secretary of the Interior, Regional Environmental Officer, Box 120, 1675 C Street, Anchorage, Alaska 99513.

Department of Transportation
Federal Aviation Administration
Alaska Region AAL-4, 222 West 7th Ave., Box 14
Anchorage, Alaska 99513-7587
Telephone: (907) 271-5285

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

SPECIFIC INSTRUCTIONS
(Items not listed are self-explanatory)

Item

- 7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
 - 8 Generally, the map **must** show the section(s), township(s), and range(s) within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
 - 9, 10, and 12 - The responsible agency will provide additional instructions.
 - 13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
 - 14 The responsible agency will provide instructions.
 - 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
 - 16 through 19 - Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, **do not** address this subject. The responsible agency will provide additional instructions.
- Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item."

(For supplemental, see page 4)

SUPPLEMENTAL		
NOTE: The responsible agency(ies) will provide additional instructions	CHECK APPROPRIATE BLOCK	
I - PRIVATE CORPORATIONS	ATTACHED	FILED*
a. Articles of Incorporation See Tab Federal Supplemental Question 1a in this Volume.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Corporation Bylaws See Tab Federal Supplemental Question 1b in this Volume.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State. See Tab Federal Supplemental Question 1c in this Volume.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing See Tab Federal Supplemental Question 1d in this Volume.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate. See Tab Federal Supplemental Question 1e in this Volume.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. If application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications. See generally Federal and State Line Lists in Volume 2 at Tab 1.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal. See generally Federal Line Lists in Volume 2 at Tab 1D-1H.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
II - PUBLIC CORPORATIONS		
a. Copy of law forming corporation Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
b. Proof of organization Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
c. Copy of Bylaws Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above. Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY		
a. Articles of association, if any Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
b. If one partner is authorized to sign, resolution authorizing action is Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
c. Name and address of each participant, partner, association, or other . . . Not applicable	<input type="checkbox"/>	<input type="checkbox"/>
d. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above. Not applicable	<input type="checkbox"/>	<input type="checkbox"/>

* If the required information is already filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name). If not on file or current, attach the requested information.

<p>DATA COLLECTION STATEMENT</p> <p>The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal lands. Federal agencies use this information to evaluate your proposal. No Federal agency may request or sponsor, and you are not required to respond to a request for information which does not contain a currently valid OMB Approval Number.</p> <p>BURDEN HOURS STATEMENT</p> <p>The public burden for this form is estimated to vary from 30 minutes to 25 hours per response, with an average of 2 hours per response, including the time for</p>	<p>reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management, Information Clearance Officer (W0-630), 1849 C Street, Mail Stop 401LS, Washington, D.C. 20240</p> <p>A reproducible copy of this form may be obtained from the Bureau of Land Management, Division of Lands, 1620 L Street, Rm. 1000LS, Washington, D.C. 20036.</p>
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NOTICE

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization.

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional of lice when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

**APPLICATION FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LAND**

For the Trans-Alaska Pipeline System

Continuation of Item #5: Renewal on the same terms of applicant's undivided interest in existing authorizations for the Trans-Alaska Pipeline System ("TAPS"), including, but not limited to, F-12505, AA-5847, F-21770, and other authorizations identified on the Federal Line Lists in Volume 2 at Tab 1D -1H.

Continuation of Item #17: In all cases additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

Continuation of Item #19: TAPS does not engage in the use, production, transportation or storage of hazardous materials as part of TAPS' purpose. TAPS operates to transport crude oil, and crude oil is not a hazardous material as defined in this question. Hazardous materials are only present on TAPS incidentally in support of the operation and maintenance of TAPS. All hazardous materials are managed under state and federal law. Those occurrences are described categorically below. Also see Environmental Report § 3.1.1.5.

Hazardous Material Use. Chemical products may be "hazardous materials" or may include components that are hazardous materials. These products are used for TAPS operations and maintenance. Any list of hazardous materials would be only temporarily accurate because product use on TAPS varies continuously. Therefore, they are listed here categorically: paints and associated products; pipe coating chemicals; equipment repair and lubrication products, cleaners, and antifreeze chemicals; adhesives, epoxies and sealants; corrosion inhibitors; fire fighting chemicals; laboratory chemicals used for crude oil analysis; herbicides, pesticides and insecticides (used with the approval of the Authorized Officer); photographic chemicals; and batteries. This list provides a description of TAPS hazardous material use, but is not intended to be comprehensive chemical by chemical. That detailed information may be obtained from Alyeska's OSHA MSDS (hazardous communication) program and the annual SARA Title III reports submitted to EPA.

Hazardous Material Production. TAPS does not produce hazardous materials.

Hazardous Material Transportation. Chemical product hazardous materials, described above, are transported on and off TAPS facilities utilizing the procedure established under state and federal law. The U.S. DOT has strict requirements for the transportation of chemical products, under 49 CFR Parts 172- 177, 350-399. Hazardous wastes also

must comply with the same U.S. DOT transportation requirements. In place is an extensive hazardous material transportation plan that covers both chemical product and hazardous waste transportation on and off TAPS facilities. Bills of lading are used to track the transportation of chemical products. In addition, there are EPA hazardous waste manifests for transported hazardous wastes. The list of hazardous materials transported on and off TAPS facilities would be composed of those hazardous materials listed above under Hazardous Material Use and below under Hazardous Material Storage.

Hazardous Material Storage. The list of hazardous materials stored is the same as the list of hazardous materials used on TAPS facilities, except for waste storage. Where required or appropriate, chemical products are stored within secondary containment. Hazardous wastes that are generated at a TAPS facility are stored utilizing EPA requirements for hazardous waste generators. The hazardous waste categories are predominantly chemical products that have completed their use: paints and associated products; equipment repair and lubrication products, and parts cleaners; adhesives, epoxies and sealants; laboratory chemicals used for crude oil analysis; herbicides, pesticides and insecticides (used with the approval of the Authorized Officer); photographic chemicals; and batteries. Tank and pipe cleaning sludges are a non-product waste stream that contributes to this list. These wastes are only temporarily stored at a facility, in accordance with EPA regulations. During storage they are monitored, in accordance with EPA regulations, and they are transported off the facilities and disposed of at EPA permitted facilities. A listing of hazardous wastes stored at a TAPS facility for any one-year period can be found in the annual RCRA report submitted to EPA.

Federal Supplemental Question Ia

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED ARE TRUE AND CORRECT COPIES OF ALL DOCUMENTS FILED FROM AND INCLUDING THE RESTATED CERTIFICATE OF "PHILLIPS TRANSPORTATION ALASKA, INC." AS RECEIVED AND FILED IN THIS OFFICE.

THE FOLLOWING DOCUMENTS HAVE BEEN CERTIFIED:

RESTATED CERTIFICATE, CHANGING ITS NAME FROM "ARCO PIPE LINE COMPANY" TO "ARCO TRANSPORTATION ALASKA, INC.", FILED THE TWENTY-EIGHTH DAY OF FEBRUARY, A.D. 1991, AT 8:30 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "ARCO TRANSPORTATION ALASKA, INC." TO "PHILLIPS TRANSPORTATION ALASKA, INC.", FILED THE FIRST DAY OF AUGUST, A.D. 2000, AT 4:30 O'CLOCK P.M.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0442416 8100X

AUTHENTICATION: 0967773

010069535

DATE: 02-12-01

**RESTATED CERTIFICATE OF INCORPORATION OF
ARCO PIPE LINE COMPANY**

ARCO PIPE LINE COMPANY, a corporation organized and existing under the laws of the State of Delaware, hereby certifies as follows:

1. The name of the corporation is **ARCO PIPE LINE COMPANY** and the name under which the corporation was originally incorporated is **SINCLAIR PIPE LINE COMPANY**. The date of filing of its original Certificate of Incorporation with the Secretary of State was November 9, 1950.

2. This Restated Certificate of Incorporation restates and integrates and further amends the Certificate of Incorporation of this corporation by changing the name of the corporation, enlarging the nature of its corporate powers and purposes, and eliminating or limiting the liability of directors.

3. The text of the Certificate of Incorporation as amended or supplemented heretofore is further amended hereby to read as herein set forth in full:

1. The name of the corporation is:

ARCO Transportation Alaska, Inc.

2. The address of its registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

3. The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

4. The total number of shares of stock which the corporation shall have authority to issue is One Hundred Thousand (100,000) and the par value of each of such shares is Ten Thousand Dollars (\$10,000) amounting in the aggregate to One Billion Dollars (\$1,000,000,000).

5. The Board of Directors is authorized to make, alter or repeal the by-laws of the corporation. Election of directors need not be by written ballot.

6. The corporation shall indemnify its officers, directors, employees and agents to the extent permitted by the General Corporation Law of Delaware.
7. To the fullest extent permitted by the General Corporation Law of Delaware as the same exists or may hereafter be amended, a director of the Company shall not be liable to the Company or its Stockholder for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law of Delaware is amended after approval by the Stockholder of this provision to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of Delaware, as so amended. Any repeal or modification of this Article 7 by the Stockholder of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of such repeal or modification or with respect to events occurring prior to such time.

4. This Restated Certificate of Incorporation was duly adopted by written consent of the sole stockholder in accordance with the applicable provisions of Sections 228, 242, and 245 of the General Corporation Law of Delaware.

5. This Restated Certificate of Incorporation shall be effective on February 28, 1991.

IN WITNESS WHEREOF, said ARCO PIPE LINE COMPANY has caused this Certificate to be signed by Daniel O. Gallas, its President, and attested by Cynthia Claus, its Secretary as of this 28th day of February, 1991.

ARCO PIPE LINE COMPANY

By: *Daniel O. Gallas*
Daniel O. Gallas
President

Attest:

By: *Cynthia Claus*
Cynthia Claus, Secretary

Doc. 6

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
ARCO TRANSPORTATION ALASKA, INC.**

Adopted in accordance with the provisions
of Section 242 of the General Corporation
Law of the State of Delaware

We, John A. Carrig, Vice President and Treasurer, and N. A. Loftis, Secretary, of ARCO Transportation Alaska, Inc., a corporation existing under the laws of the State of Delaware, do hereby certify as follows:

- I. That the Certificate of Incorporation of said corporation be amended, as follows:

By striking out the whole of Article FIRST thereof as it now exists and inserting in lieu and instead thereof a new Article FIRST, reading as follows:

"The name of the Corporation is


PHILLIPS TRANSPORTATION ALASKA, INC."

- II. That such amendment has been duly adopted in accordance with the provisions of the General Corporation Law of the State of Delaware by the authorization of the sole stockholder entitled to vote in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, we have signed this certificate this 1st day of August 2000.

ATTEST:

ARCO TRANSPORTATION
ALASKA, INC.



N. A. Loftis, Secretary

By 

John A. Carrig
Vice President and Treasurer

NAJ

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 04:30 PM 08/01/2000
001388700 - 0442416

**Federal
Supplemental
Question 1b**

PHILLIPS TRANSPORTATION ALASKA, INC.

CERTIFICATE OF SECRETARY

The undersigned hereby certifies that he is the duly elected and acting Secretary of Phillips Transportation Alaska, Inc., a Delaware corporation (the "Company"), and hereby further certifies that attached hereto as Exhibit A is a true and complete copy of the duly adopted bylaws of the Company, which bylaws are in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed this certificate and affixed the seal of the Company on this 22 day of February 2001.

[SEAL]

By: N. A. Loftis
Name: N. A. Loftis
Title: Secretary of Phillips Transportation
Alaska, Inc.

STATE OF OKLAHOMA)
) ss:
COUNTY OF WASHINGTON)

BEFORE ME, the undersigned, a Notary Public in and for the State of Oklahoma, County of Washington, on this day personally appeared N. A. Loftis, known to me to be the person whose name is subscribed to the foregoing instrument, who being duly sworn, did say that he is the Secretary of Phillips Transportation Alaska, Inc., a Delaware corporation, and acknowledged to me that he executed said instrument as his free act and deed in said capacity, and as the free act and deed of said corporation, and that the affixed seal is the corporate seal of said corporation.

GIVEN under my hand and seal of office this 22 day of February 2001.

Will B. Eccleston
Notary Public

My commission expires on: August 18, 2002

EXHIBIT A
TO
CERTIFICATE OF SECRETARY

PHILLIPS TRANSPORTATION ALASKA, INC.

BY-LAWS

ARTICLE I - STOCKHOLDERS

Section 1: Annual Meeting.

An annual meeting of the stockholders, for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held on the second Thursday of November each year after the year 2000.

Section 2: Special Meetings.

Special meetings of the stockholders, for any purpose or purposes prescribed in the notice of the meeting, may be called by the Board of Directors or the chief executive officer and shall be held at such place, on such date, and at such time as they or he or she shall fix.

Section 3: Notice of Meetings.

Notice of the place, if any, date, and time of all meetings of the stockholders shall be given, not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the Delaware General Corporation Law or the Certificate of Incorporation of the Corporation).

When a meeting is adjourned to another place, if any, date or time, written notice need not be given of the adjourned meeting if the place, date and time thereof are announced at the meeting at which the adjournment is taken; provided, however,

that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if a new record date is fixed for the adjourned meeting, notice of the place, date, and time of the adjourned meeting shall be given in conformity herewith. At any adjourned meeting, any business may be transacted which might have been transacted at the original meeting.

Section 4: Quorum.

At any meeting of the stockholders, the holders of a majority of all of the shares of the stock entitled to vote at the meeting, present in person or by proxy, shall constitute a quorum for all purposes, unless or except to the extent that the presence of a larger number may be required by law. Where a separate vote by a class or classes or series is required, a majority of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to that vote on that matter.

If a quorum shall fail to attend any meeting, the chairman of the meeting or the holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, may adjourn the meeting to another place, date, or time.

Section 5: Organization.

Such person as the Board of Directors may have designated or, in the absence of such a person, the President of the Corporation or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairman of the meeting. In the absence of the Secretary of

the Corporation, the secretary of the meeting shall be such person as the chairman of the meeting appoints.

Section 6: Conduct of Business.

The chairman of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seem to him or her in order. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

Section 7: Proxies and Voting.

At any meeting of the stockholders, every stockholder entitled to vote may vote in person or by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission created pursuant to this paragraph may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

The Corporation may, and to the extent required by law, shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may,

and to the extent required by law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. Every vote taken by ballots shall be counted by an inspector or inspectors appointed by the chairman of the meeting.

All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

Section 8: Stock List.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his or her name, shall be open to the examination of any such stockholder in the manner provided by law.

The stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

Section 9: Consent of Stockholders in Lieu of Meeting.

Any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so

taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within sixty (60) days of the date the earliest dated consent is delivered to the Corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the Corporation in the manner prescribed in the first paragraph of this Section.

A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed written, signed and dated for the purposes of this Section to the extent permitted by law.

ARTICLE II - BOARD OF DIRECTORS

Section 1: Number and Term of Office.

The number of directors who shall constitute the whole Board of Directors shall be such number as the Board of Directors shall from time to time have designated,

except that in the absence of any such designation, such number shall be three (3). Each director shall be elected for a term of one year and until his or her successor is elected and qualified, except as otherwise provided herein or required by law.

Whenever the authorized number of directors is increased between annual meetings of the stockholders, a majority of the directors then in office shall have the power to elect such new directors for the balance of a term and until their successors are elected and qualified. Any decrease in the authorized number of directors shall not become effective until the expiration of the term of the directors then in office unless, at the time of such decrease, there shall be vacancies on the board which are being eliminated by the decrease.

Section 2: Vacancies.

If the office of any director becomes vacant by reason of death, resignation, disqualification, removal or other cause, a majority of the directors remaining in office, although less than a quorum, may elect a successor for the unexpired term and until his or her successor is elected and qualified.

Section 3: Regular Meetings.

Regular meetings of the Board of Directors shall be held at such place or places, on such date or dates, and at such time or times as shall have been established by the Board of Directors and publicized among all directors. A notice of each regular meeting shall not be required.

Section 4: Special Meetings.

Special meetings of the Board of Directors may be called by one-third (1/3) of the directors then in office (rounded up to the nearest whole number) or by the

President and shall be held at such place, on such date, and at such time as they or he or she shall fix. Notice of the place, date, and time of each such special meeting shall be given to each director by whom it is not waived by mailing written notice not less than five (5) days before the meeting or by telegraphing or telexing or by facsimile or electronic transmission of the same not less than twenty-four (24) hours before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 5: Quorum.

Two directors shall constitute a quorum for the transaction of business. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

Section 6: Participation in Meetings By Conference Telephone.

Members of the Board of Directors, or of any committee thereof, may participate in a meeting of such Board of Directors or committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

Section 7: Conduct of Business.

At any meeting of the Board of Directors, business shall be transacted in such order and manner as the Board of Directors may from time to time determine, and all matters shall be determined by the vote of a majority of the directors present, except as otherwise provided herein or required by law. Action may be taken by the Board of Directors without a meeting if all members thereof consent thereto in writing or by

electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 8: Compensation of Directors.

Directors, as such, may receive, pursuant to resolution of the Board of Directors, fixed fees and other compensation for their services as directors, including, without limitation, their services as members of committees of the Board of Directors.

ARTICLE III - COMMITTEES

Section 1: Committees of the Board of Directors.

The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of two or more of the Directors of the corporation, which, to the extent provided in the resolution, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation and may authorize the seal of the corporation to be affixed to all papers which may require it. Such committee or committees shall have such name or names as may be determined from time to time by resolution adopted by the Board of Directors.

ARTICLE IV - OFFICERS

Section 1: Generally.

The officers of the Corporation shall consist of a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as may from time to

time be appointed by the Board of Directors. Officers shall be elected by the Board of Directors, which shall consider that subject at its first meeting after every annual meeting of stockholders. Each officer shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any number of offices may be held by the same person.

Section 2: President.

The President shall be the chief executive officer of the Corporation. Subject to the provisions of these By-laws and to the direction of the Board of Directors, he or she shall have the responsibility for the general management and control of the business and affairs of the Corporation and shall perform all duties and have all powers which are commonly incident to the office of chief executive or which are delegated to him or her by the Board of Directors. He or she shall have power to sign all stock certificates, contracts and other instruments of the Corporation which are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation.

Section 3: Vice Presidents.

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 4: Treasurer.

The Treasurer shall have the responsibility for maintaining the financial records of the Corporation. He or she shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account of all such transactions and of the financial condition of the Corporation. The Treasurer shall also perform such other duties as the Board of Directors may from time to time prescribe.

Section 5: Secretary.

The Secretary shall issue all authorized notices for, and shall keep minutes of, all meetings of the stockholders and the Board of Directors. He or she shall have charge of the corporate books and shall perform such other duties as the Board of Directors may from time to time prescribe.

Section 6: Delegation of Authority.

The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 7: Removal.

Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 8: Action with Respect to Securities of Other Corporations.

Unless otherwise directed by the Board of Directors, the President or any officer of the Corporation authorized by the President shall have power to vote and otherwise act on behalf of the Corporation, in person or by proxy, at any meeting of

stockholders of or with respect to any action of stockholders of any other corporation in which this Corporation may hold securities and otherwise to exercise any and all rights and powers which this Corporation may possess by reason of its ownership of securities in such other corporation.

ARTICLE V - STOCK

Section 1: Certificates of Stock.

Each stockholder shall be entitled to a certificate signed by, or in the name of the Corporation by, the President or a Vice President, and by the Secretary or an Assistant Secretary, or the Treasurer or an Assistant Treasurer, certifying the number of shares owned by him or her. Any or all of the signatures on the certificate may be by facsimile.

Section 2: Transfers of Stock.

Transfers of stock shall be made only upon the transfer books of the Corporation kept at an office of the Corporation or by transfer agents designated to transfer shares of the stock of the Corporation. Except where a certificate is issued in accordance with Section 4 of Article V of these By-laws, an outstanding certificate for the number of shares involved shall be surrendered for cancellation before a new certificate is issued therefor.

Section 3: Record Date.

In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders, or to receive payment of any dividend or other distribution or allotment of any rights or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other

lawful action, the Board of Directors may fix a record date, which record date shall not precede the date on which the resolution fixing the record date is adopted and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of any meeting of stockholders, nor more than sixty (60) days prior to the time for such other action as hereinbefore described; provided, however, that if no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, and, for determining stockholders entitled to receive payment of any dividend or other distribution or allotment of rights or to exercise any rights of change, conversion or exchange of stock or for any other purpose, the record date shall be at the close of business on the day on which the Board of Directors adopts a resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to consent to corporate action in writing (including by telegram, cablegram or other electronic transmission as permitted by law) without a meeting, the Board of Directors may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall be not

more than ten (10) days after the date upon which the resolution fixing the record date is adopted. If no record date has been fixed by the Board of Directors and no prior action by the Board of Directors is required by the Delaware General Corporation Law, the record date shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation in the manner prescribed by Article I, Section 9 hereof. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the Delaware General Corporation Law with respect to the proposed action by written consent of the stockholders, the record date for determining stockholders entitled to consent to corporate action in writing shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 4: Lost, Stolen or Destroyed Certificates.

In the event of the loss, theft or destruction of any certificate of stock, another may be issued in its place pursuant to such regulations as the Board of Directors may establish concerning proof of such loss, theft or destruction and concerning the giving of a satisfactory bond or bonds of indemnity.

Section 5: Regulations.

The issue, transfer, conversion and registration of certificates of stock shall be governed by such other regulations as the Board of Directors may establish.

ARTICLE VI - NOTICES

Section 1: Notices.

Notices to Directors and stockholders shall be in writing and delivered personally or mailed to the Directors or stockholders at their addresses appearing on

the books of the corporation. Notice by mail shall be deemed to be given at the time when the same shall be mailed. Notice to Directors may also be given by telegram or facsimile.

Section 2: Waivers.

Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

ARTICLE VII - MISCELLANEOUS

Section 1: Facsimile Signatures.

In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these By-laws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

Section 2: Corporate Seal.

The Board of Directors may provide a suitable seal, containing the name of the Corporation, which seal shall be in the charge of the Secretary. If and when so directed by the Board of Directors or a committee thereof, duplicates of the seal may be kept and used by the Treasurer or by an Assistant Secretary or Assistant Treasurer.

Section 3: Reliance upon Books, Reports and Records.

Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his or her

duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of its officers or employees, or committees of the Board of Directors so designated, or by any other person as to matters which such director or committee member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 4: Fiscal Year.

The fiscal year of the Corporation shall be as fixed by the Board of Directors.

Section 5: Time Periods.

In applying any provision of these By-laws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

ARTICLE VIII - INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1: Right to Indemnification.

Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or an officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another

corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnatee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnatee in connection therewith; provided, however, that, except as provided in Section 3 of this ARTICLE VIII with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnatee in connection with a proceeding (or part thereof) initiated by such indemnatee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation.

Section 2: Right to Advancement of Expenses.

In addition to the right to indemnification conferred in Section 1 of this ARTICLE VIII an indemnatee shall also have the right to be paid by the Corporation the expenses (including attorney's fees) incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an indemnatee in his or her capacity as a director or officer (and

not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section 2 or otherwise. The rights to indemnification and to the advancement of expenses conferred in Sections 1 and 2 of this ARTICLE VIII shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators.

Section 3: Right of Indemnitee to Bring Suit.

If a claim under Section 1 or 2 of this ARTICLE VIII is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (ii) in any suit brought by the

Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this ARTICLE VIII or otherwise shall be on the Corporation.

Section 4: Non-Exclusivity of Rights.

The rights to indemnification and to the advancement of expenses conferred in this ARTICLE VIII shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, the Corporation's Certificate of

Incorporation, By-laws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 5: Insurance.

The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

Section 6: Indemnification of Employees and Agents of the Corporation.

The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation to the fullest extent of the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

ARTICLE IX - AMENDMENTS

These By-laws may be amended or repealed by the Board of Directors at any meeting or by the stockholders at any meeting.

**Federal
Supplemental
Question 1c**

State of Alaska
Department of Community and Economic Development
Division of Banking, Securities and Corporations

CERTIFICATE
OF
COMPLIANCE

The undersigned, as Commissioner of Community and Economic Development of the State of Alaska, and custodian of corporation records for said state, hereby certifies that
PHILLIPS TRANSPORTATION ALASKA, INC.

authorized to transact business in Alaska as

PHILLIPS TRANSPORTATION ALASKA, INC.

is a corporation organized under the laws of **DELAWARE** and on **DECEMBER 28, 1970** qualified as a foreign business corporation authorized to do business in Alaska.

I FURTHER CERTIFY that said corporation is in good standing and has filed all biennial corporate reports due at this time and has paid all biennial corporation taxes and fees due and payable at this time.

No information is available in this office on the financial condition, business activity or practices of this corporation.

IN TESTIMONY WHEREOF, I execute this certificate and
affix the Great Seal of the State of Alaska on
FEBRUARY 16, 2001



Deborah B. Sedwick
Commissioner of Community
and Economic Development

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT "PHILLIPS TRANSPORTATION ALASKA, INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE NOT HAVING BEEN CANCELLED OR DISSOLVED SO FAR AS THE RECORDS OF THIS OFFICE SHOW AND IS DULY AUTHORIZED TO TRANSACT BUSINESS.

THE FOLLOWING DOCUMENTS HAVE BEEN FILED:

CERTIFICATE OF INCORPORATION, FILED THE NINTH DAY OF NOVEMBER, A.D. 1950, AT 11 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE SECOND DAY OF JANUARY, A.D. 1951, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE SIXTEENTH DAY OF MARCH, A.D. 1955, AT 11 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "SINCLAIR PIPE LINE COMPANY" TO "ARCO PIPE LINE COMPANY", FILED THE TWENTY-THIRD DAY OF JUNE, A.D. 1969, AT 10 O'CLOCK A.M.

CERTIFICATE OF AGREEMENT OF MERGER, FILED THE TWENTY-FOURTH DAY OF DECEMBER, A.D. 1970, AT 9 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, FILED THE NINETEENTH DAY OF



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0442416 8310

AUTHENTICATION: 0967776

010069535

DATE: 02-12-01

State of Delaware
Office of the Secretary of State

PAGE 2

DECEMBER, A.D. 1983, AT 2 O'CLOCK P.M.

RESTATED CERTIFICATE, FILED THE FOURTEENTH DAY OF MAY, A.D. 1984, AT 10 O'CLOCK A.M.

RESTATED CERTIFICATE, CHANGING ITS NAME FROM "ARCO PIPE LINE COMPANY" TO "ARCO TRANSPORTATION ALASKA, INC.", FILED THE TWENTY-EIGHTH DAY OF FEBRUARY, A.D. 1991, AT 8:30 O'CLOCK A.M.

CERTIFICATE OF AMENDMENT, CHANGING ITS NAME FROM "ARCO TRANSPORTATION ALASKA, INC." TO "PHILLIPS TRANSPORTATION ALASKA, INC.", FILED THE FIRST DAY OF AUGUST, A.D. 2000, AT 4:30 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE AFORESAID CERTIFICATES ARE THE ONLY CERTIFICATES ON RECORD OF THE AFORESAID CORPORATION.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0442416 8310

AUTHENTICATION: 0967776

010069535

DATE: 02-12-01

**Federal
Supplemental
Question Id**

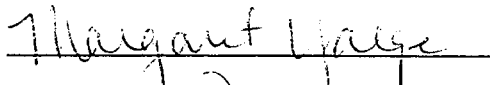
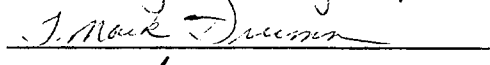
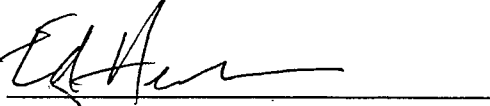

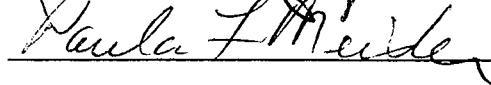
PHILLIPS TRANSPORTATION ALASKA, INC.

CERTIFICATE

The undersigned hereby certifies that he is the duly elected and acting Assistant Secretary of Phillips Transportation Alaska, Inc., a Delaware corporation (the "Company"), and hereby further certifies as follows:

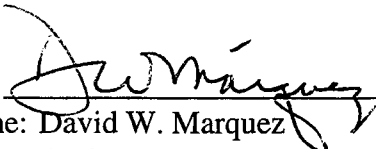
1. Attached hereto as Exhibit A is a true and complete copy of resolutions duly adopted by the Board of Directors of the Company effective February 28, 2001. Such resolutions have neither been modified nor rescinded since their adoption and are in full force and effect as of the date hereof. Such resolutions are the only resolutions adopted by the Board of Directors of the Company relating to the renewal of the Company's interest in the Trans-Alaska Pipeline System.

2. The below named persons are duly elected and qualified officers of the Company holding the offices set forth below opposite his/her respective name, and the signature set forth below opposite his/her respective name is the genuine signature of such person.

<u>Name</u>	<u>Office</u>	<u>Signature</u>
Margaret A. Yaege	President	
T. Mark Drumm	Vice President	
Edward R. Hendrickson	Vice President and Controller	
David W. Marquez	Assistant Secretary	
Paula F. Meisler	Assistant Secretary	

IN WITNESS WHEREOF, the undersigned has executed this certificate and affixed the seal of the Company on this 1st day of ~~February~~ March 2001.

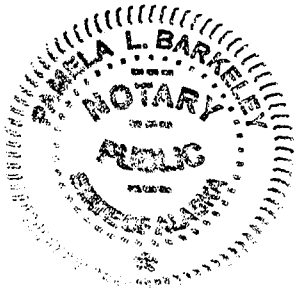
[SEAL]

By: 
Name: David W. Marquez
Title: Assistant Secretary of
Phillips Transportation Alaska, Inc.

STATE OF ALASKA)
3rd Judicial District) ss:
~~COUNTY OF~~)

BEFORE ME, the undersigned, a Notary Public in and for the State of Alaska, ^{Third Judicial} ~~County of~~
District, on this day personally appeared David W. Marquez, known to me to be the person
whose name is subscribed to the foregoing instrument, who being duly sworn, did say that he is the
Assistant Secretary of Phillips Transportation Alaska, Inc., a Delaware corporation, and
acknowledged to me that he executed said instrument as his free act and deed in said capacity, and
as the free act and deed of said corporation, and that the affixed seal is the corporate seal of said
corporation.

GIVEN under my hand and seal of office this 1st day of ^{March} ~~February~~ 2001.



Pamela L. Berkeley
Notary Public

My commission expires on: 11/16/2004

**EXHIBIT A
TO
CERTIFICATE**

Resolutions

WHEREAS, the Corporation (i) is party to an Agreement and Grant of Right of Way for the Trans-Alaska Pipeline System ("TAPS") with the United States of America (the "Federal Grant") and (ii) has been granted a Right of Way Lease for the Trans-Alaska Pipeline by the State of Alaska (the "State Lease"); and

WHEREAS, the Federal Grant expires on January 22, 2004 and the State Lease expires on May 2, 2004; and

WHEREAS, contemporaneous with the expiration of the Federal Grant and State Lease, the Corporation's interests in various Related Facilities, as that term is defined in the Federal Grant and State Lease, and other rights and interests pertaining to TAPS held under instruments from the United States of America, the State of Alaska, and private individuals and entities (collectively, all of the forgoing interests, including the Federal Grant and the State Lease, are referred to as the "TAPS Interests") will also expire; and

WHEREAS, it is in the best interest of the Corporation to renew the TAPS Interests; and

WHEREAS, the process of renewing the Federal Grant and other of the TAPS Interests requires the filing of an Application for Transportation and Utility Systems and Facilities on Federal Lands on Standard Form 299 ("SF 299") and the process of seeking renewal of the State Lease and other of the TAPS Interests requires the filing of an application for renewal (the "State Application") (collectively, SF 299 and the State Application are referred to as the "Applications"); and

WHEREAS, the Corporation desires to authorize (i) the preparation and filing of the Applications and any and all other actions deemed necessary or advisable in connection with the renewal of the TAPS Interests and (ii) the execution of documents evidencing renewal of the TAPS Interests (the "Final TAPS Renewal Documents").

NOW, THEREFORE, BE IT RESOLVED, that the Corporation is authorized to prepare, execute and deliver (i) the Applications and the exhibits and attachments thereto, and any amendments thereto, (ii) all other instruments and documents as may be required by the granting authorities, or as may be deemed necessary or advisable by the Corporation, in connection with the processing of the Applications and the renewal of the TAPS Interests, including but not limited to a duration report, an environmental report, and a compliance report, and (iii) documentation evidencing the Final TAPS Renewal Documents; and

FURTHER RESOLVED, that the President and any Vice President ("Authorized Officers") of the Corporation be, and each of them hereby is, authorized, for and on behalf of the Corporation, to execute and deliver the Applications and documentation evidencing the Final TAPS Renewal Documents and any and all supporting documentation, in such form as the Authorized Officer executing and delivering the same in his discretion may approve, such execution to be conclusive evidence of such approval; and

FURTHER RESOLVED, that the officers and agents of the Corporation are authorized and directed to take such actions as they deem necessary or advisable to further and complete the renewal of TAPS Interests; and

FURTHER RESOLVED, that the Corporation is authorized to designate as agent both persons employed by the Corporation and persons and entities not employed by the Corporation; and

FURTHER RESOLVED, that the officers and agents of the Corporation be, and each of them hereby is, authorized and directed, for and on behalf of the Corporation, to take such actions and to execute and deliver such documents and papers as they deem necessary or advisable to perform and comply with the requirements of the Applications, to complete the renewal of the TAPS Interests, and to effect the purposes of the foregoing resolutions as contemplated herein; and with the authority granted herein to the officers and agents being non-exclusive.

Federal Supplemental Question 1e

Phillips Petroleum Company
Direct and Indirect Subsidiaries and Affiliates
as of 01/31/2001

Company Name	Company Address	Parent Company Name	Shares Held	% Ownership
66 Pipe Line Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Pipe Line Company	10	100.00000
Alpine Pipeline Company	700 G Street, Anchorage, AK 99501	Phillips Petroleum Company	100	100.00000
Alpine Transportation Company	700 G Street, Anchorage, AK 99501	Alpine Pipeline Company	78	78.00000
Alyeska Pipeline Service Company	1250 Adams Building, Bartlesville, OK 74004	Anadarko Alpine Pipeline Systems, Inc. (22%)	22	1.42000
Arctic LNG Transportation Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Alaska Pipeline Corporation (1.42%)	142	22.29000
Aztec Catalyst Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Transportation Alaska, Inc. (22.29%)	2,229	70.00000
Bissendorf Biosciences BmGH	1250 Adams Building, Bartlesville, OK 74004	Phillips Alaska Natural Gas Corporation	700	300
Chevron Phillips Chemical Company LLC	1250 Adams Building, Bartlesville, OK 74004	Marathon Oil Company (30%)	100	100.00000
Chisholm Pipeline Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	480,000DM	40.00000
Colonial Pipeline Company	945 East Paces Ferry Road, Atlanta GA 30326	Phillips Petroleum Company 50%	\$10 Contrib	50.00000
Colonial Ventures L. L. C.	945 East Paces Ferry Road, Atlanta GA 30326	Phillips Investment Company	7,500	50.00000
Common Data Access Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Int'l Investment Company	2,556	7.10000
		Phillips Petroleum Int'l Investment Company	2,556	7.10000
		Phillips Petroleum Company United Kingdom Ltd	1 "A" UK	3.33300
		Phillips Petroleum Company (20%)	8,000	20.00000
		Marathon Oil Company (30%)	12,000	
		Mobil Pipe Line Company (20%)	8,000	
Cook Inlet Pipeline Company	700 G Street, Anchorage, AK 99501	Unocal (30%)	12,000	
		Phillips Petroleum Company	1	0.00800
		Phillips Petroleum Company Norway	1	0.00800
		Phillips Petroleum Company U.K. Ltd.	1	0.00800
Cristal Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	8,404	20.01000
Dixie Pipeline Company	1117 Perimeter Cir W, Ste W301, Atlanta, GA 3033	Dixie Pipeline Company	10	100.00000
Dixie Terminaling Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Drilling Specialties Company	1250 Adams Building, Bartlesville, OK 74004	Duke Energy Field Services Corporation (69.70%)		
		Phillips Gas Company (30.30%)		
Duke Energy Field Services	900 Republic Plaza, 370 Seventeenth St. Denver C	Phillips Alaska Natural Gas Corporation (70%)	700	30.30000
		Marathon Oil Company (30%)	300	70.00000
Eagle Sun Company Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	1,331	6.07000
Explorer Pipeline Company	6846 S. Canton Tulsa, OK 74119	Four Star Holding Company, Inc.	1000	100.00000
Four Star Beverage Company, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Four Star Holding Company, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	1.00000
Gas Natural Del Guasare, Ltd.	1250 Adams Building, Bartlesville, OK 74004	The Largo Company	Partnership	20.00000
Gaviola Terminal Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	4,000	57.14000
Hamaca Holdings LLC	1500 Research Pkwy Suite 100 College Station Tx	Phillips Petroleum Company	1	0.5917
Heat Transfer Research Inc.	234 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Hotel Phillips Management Company	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum Int'l Investment Company	1,000	100.00000
International Energy Limited	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum Int'l Corporation	250	100.00000
International Petroleum Sales Inc.	1250 Adams Building, Bartlesville, OK 74004	Marathon Oil Company (30%)	700	70.00000
Kenai LNG Corporation	1250 Adams Building, Bartlesville, OK 74004	Phillips Alaska Natural Gas Corporation	1	100.00000
Kenai Tankers LLC	700 G Street, Anchorage, AK 99501	Phillips Petroleum Company	33,001	100.00000
Kuparuk Pipeline Company		BP Transportation (Alaska) Inc. (38%)	38	
		Kuparuk Pipeline Company (57%)	57	57.00000
		Union Kuparuk Pipeline Company (5%)	5	
Kuparuk Transportation Company	700 G Street, Anchorage, AK 99501	Phillips Investment Company 99.99%	49,999	
Latin America Credit, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company 1.0%	1	100.00000

Phillips Petroleum Company
Direct and Indirect Subsidiaries and Affiliates
as of 01/31/2001

Company Name	Company Address	Parent Company Name	Shares Held	% Ownership
Merley Sweeny, L.P.	1008 E Ashley Wilson Rd., Sweeny TX 77480	Sweeny Coker LLC (GP) 1.0%	Partnership	50.50000
Norpipe a.s.	Stavanger, Norway	Sweeny Coker Invest Sub (LP) 49.5%	4,438,200	100.00000
Norpipe Oil AS	Stavanger, Norway	Norsea Gas A/S (is owned 15.89%)	35,349	35.05000
Norpipe Petroleum UK Limited	Stavanger, Norway	Phillips Petroleum Company Norway	3,500,000	100.00000
Norsea Gas A/S	Stavanger, Norway	Norsea Pipeline Limited	92,554	15.89000
Norsea Gas GmbH	Stavanger, Norway	Phillips Petroleum Company Norway	628,800	20.96000
Norsea Pipeline Limited	Stavanger, Norway	Phillips Investment Company	2,227,873	29.26000
North Gillette Coal Company	Stavanger, Norway	Phillips Petroleum Company United Kingdom Ltd	10	100.00000
Offshore Kazakhstan International Operating Co. N.V.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	7500	7.14000
Oil Casualty Insurance Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Kazakhstan, Ltd.	490	7.30000
Oil Insurance Limited	3 C4 Phillips Building, Bartlesville, OK 74004	Phillips Petroleum Company	1	2.20000
Oil Pipeline Company	3 C4 Phillips Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Petrolera Ameriven S.A.	700 G Street, Anchorage, AK 99501	Phillips Petroleum Company	50 (Class C)	25.00000
Petrolera Hamaca S.A.	Centro Bahia Pozuelos Ph, Interseccion Ave Hueva Esparta Con Calle Cerro, Barcelona Estado Anzoategui Venezuela	Phillips Petroleum Company Venezuela Limited	2000 (Class C)	20.00000
Phillips 66 Capital I	Edif PDVSA Exploracion Y, produccion Piso 6 Av Ernesto Blohm Chuao Caracas Venezuela	Phillips Petroleum Company (Common)	371,134	100.00000
Phillips 66 Capital II	1250 Adams Building, Bartlesville, OK 74004	Various (8.24% Preferred)	12,000,000	Investors
Phillips Alaska Holdings, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company (Common)	10,825	100.00000
Phillips Alaska Natural Gas Corporation	1250 Adams Building, Bartlesville, OK 74004	Various (8% Trust Originated)	349,790	Investors
Phillips Alaska Pipeline Corporation	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	1,000	100.00000
Phillips Alpine Alaska, LLC	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	750	100.00000
Phillips Australasia Exploration Co.	700 G Street, Anchorage, AK 99501	Phillips Investment Company	20	100.00000
Phillips Australia Gas Holdings Pty Ltd	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.00000
Phillips Australia WA-248 Company Pty Ltd	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.00000
Phillips Beluga, Inc.	Level 1, 28-42 Ventnor Ave. West Perth 6005 Waustra	Phillips International Investments, Inc.	1000	100.00000
Phillips Caspian, Ltd	Level 1, 28-42 Ventnor Ave. West Perth 6005 Waustra	Phillips Petroleum int'l Investment Company	1000	100.00000
Phillips China Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.00000
Phillips Coal Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Phillips Communication, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum int'l Corporation	10	100.00000
Phillips Expatriate Services Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	10	100.00000
Phillips Exploration Angola, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.00000
Phillips Gas Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Phillips Gas Company Shareholder, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	1,000	100.00000
Phillips Gas Investment Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Phillips Gas Marketing Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	100	100.00000
Phillips Gas Pipeline Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Phillips Gas Supply Corporation	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	1,000	100.00000
Phillips Indonesia Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.00000
Phillips International Exploration, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Alaska Natural Gas Corporation	10	100.00000
Phillips International Investments, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum int'l Investment Company	10	100.00000
Phillips Investment Company	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum int'l Corporation	10	100.00000
Phillips Kazakhstan Ventures, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.00000
Phillips LNG Ventures Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.00000
Phillips Morrison Resources Ltd.	2700 Sunlife Plaza, 144 4th Ave SW Calgary AB T2	Phillips Petroleum Canada Ltd.	5,724,551	51.00000
		NorthStar Energy Corp. (49%)	5,500,049	

Phillips Petroleum Company
Direct and Indirect Subsidiaries and Affiliates
as of 01/31/2001

Company Name	Company Address	Parent Company Name	Shares Held	% Ownership
Phillips Oil (GB) Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Company United Kingdom Ltd	100,000	100.000000
Phillips Oil Company (Nigeria) Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Co (19.9999shr 99%)	20,000	100.000000
Phillips Oil Company Australia	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company (1shr 1%)	10	100.000000
Phillips Oil Trading Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	100	100.000000
Phillips P.C. Resources Ltd.	2700 Sunlife Plaza, 144 4th Ave SW Calgary AB T2	Phillips Petroleum Int'l Corporation	9,242,057	56.9900
Phillips Petroleum (00-21) Pty Ltd	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Petro-Canada (43.01%)	6,975,043	
Phillips Petroleum (91-12) Pty. Limited	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Phillips Investment Company	1	100.000000
Phillips Petroleum (95-19) Pty. Limited	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Phillips Investment Company	175,182,173	100.000000
Phillips Petroleum (96-16) Pty Ltd	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Phillips STL Ventures Inc.	25,000,002	100.000000
Phillips Petroleum (96-20), Inc.	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Phillips Petroleum Int'l Investment Company	1000	100.000000
Phillips Petroleum Africa, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips STL Ventures Inc.	10	100.000000
Phillips Petroleum Angola, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Argentina S.A.	Piso 2, Capital Federal 1395 Buenos Aires, Argentin	Phillips International Investments, Inc.	119	100.000000
Phillips Petroleum Asia Ventures, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Corporation 99.17%	1	100.000000
Phillips Petroleum Bohai Ltd.	1250 Adams Building, Bartlesville, OK 74004	Jorge Garcia Santillan .83%	10	100.000000
Phillips Petroleum Borneo, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	1000	100.000000
Phillips Petroleum Canada Ltd.	2700 Sunlife Plaza, 144 4th Ave SW Calgary AB T2	Phillips Petroleum Company	10	100.000000
Phillips Petroleum Chemicals U.K. Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Int'l Investment Company	69	100.000000
Phillips Petroleum Company Algeria	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company United Kingdom Ltd /Dir	100	100.000000
Phillips Petroleum Company Andes	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum Company Bolivia	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum Company Cameroon	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	100	100.000000
Phillips Petroleum Company Indonesia	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum Company Ireland	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	1,000	100.000000
Phillips Petroleum Company Manx Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Company	10	100.000000
Phillips Petroleum Company Niugini	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum Company Norway	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	200	100.000000
Phillips Petroleum Company United Kingdom Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum UK Investment Corp.	57,500	100.000000
Phillips Petroleum Company Venezuela Ltd.	PO Box 5000, Caracas, Venezuela 1060	Phillips Petroleum Company 1.0%	120	
Phillips Petroleum Company Western Hemisphere	2700 Sunlife Plaza, 144 4th Ave SW Calgary AB T2	Phillips Petroleum Int'l Investment Company 99%	11,880	100.000000
Phillips Petroleum Company ZOC	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.000000
Phillips Petroleum Company Australia Pty Ltd	Level 1, 28-42 Ventnor Ave. West Perth 6005 Wausl	Phillips Investment Company	10	100.000000
Phillips Petroleum Do Brasil Ltda.	Av Rio Branco No. 1, 12th Fl, Partial Ctr. Rio De	Phillips International Investment Inc. .05	200	
Phillips Petroleum Eurasia, Ltd.	Janeiro, Brazil CEP 20090-003 Brazil	Phillips Petroleum Company 99.95	386,200	100.000000
Phillips Petroleum Europe Exploration Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Greenland, A/S	Po Box 220 Tananger, Norway N-0456	Phillips Petroleum Company	10	100.000000
Phillips Petroleum Int'l Corporation	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum Int'l Investment Company	500	100.000000
Phillips Petroleum Int'l Corporation Denmark	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	500	100.000000
Phillips Petroleum Int'l Corporation Italy	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Corporation (99.80%)	998	99.800000
Phillips Petroleum Int'l Corporation Somalia	1250 Adams Building, Bartlesville, OK 74004	David G. Bird (.10%)	1	1
Phillips Petroleum Int'l Corporation Venezuela	1250 Adams Building, Bartlesville, OK 74004	Caledonian Bank & Trust Ltd. (.10%)	1	100.000000
Phillips Petroleum Int'l Corporation Yemen	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Corporation	10	100.000000
		Phillips Petroleum Int'l Corporation	10	100.000000

Phillips Petroleum Company
Direct and Indirect Subsidiaries and Affiliates
as of 01/31/2001

Company Name	Company Address	Parent Company Name	Shares Held	% Ownership
Phillips Petroleum Int'l Investment Co.	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	1,000	100.000000
Phillips Petroleum Int'l Ventures Corporation	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum Int'l Corporation	10	100.000000
Phillips Petroleum Kazakhstan, Ltd	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Kuwait, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Latin America, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Management Corporation	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Petroleum Int'l Investment Company	2,500	100.000000
Phillips Petroleum Middle East, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Mudway, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum Norsk A/S	PO Box 1766 - VIK, Oslo 1 N-0122 Norway	Phillips Petroleum Int'l Investment Company	1,000	100.000000
Phillips Petroleum Oman, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Pension Trustees Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Company United Kingdom Ltd	100	100.000000
Phillips Petroleum Peru Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Products Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Phillips Petroleum Company United Kingdom Ltd /Dir	10,000	100.000000
Phillips Petroleum Resources, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	30,000	100.000000
Phillips Petroleum Russia Ventures, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum Russia, Ltd	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	10	100.000000
Phillips Petroleum S. A., Limited	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.000000
Phillips Petroleum Sisimuit A/S	1250 Adams Building, Bartlesville, OK 74004	Phillips International Investments, Inc.	10	100.000000
Phillips Petroleum South Africa, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	10	100.000000
Phillips Petroleum T&T, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	100	100.000000
Phillips Petroleum Timor Sea Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Timor Sea Inc	5,610	100.000000
Phillips Petroleum Timor Sea Pty Ltd	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	960,000	100.000000
Phillips Petroleum UK Investment Corporation	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Investment Company(1%)	2 Members	100.000000
Phillips Petroleum Venezuela L. L. C.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Co (99%)	1,000	100.000000
Phillips Pipe Line Company	Level 1, 28-42 Ventnor Ave, West Perth 6005	Phillips Investment Company		100.000000
Phillips Pipeline Australia Pty Ltd	Waustra	Phillips Investment Company		100.000000
Phillips Pt. Arguello Production Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	10	100.000000
Phillips Receivables Company, LLC	3 Phillips Building, Bartlesville, OK 74004	Phillips Petroleum Company	1	100.000000
Phillips Retail Marketing Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	10	100.000000
Phillips STL Pty, Ltd.	Level 1, 28-42 Ventnor Ave, West Perth 6005 Waustra	Phillips STL Ventures Inc.	10	100.000000
Phillips STL Ventures Inc.	Atlantic House, 3rd Fl, 2nd Terrace East & Collins Ave., Nassau, Bahamas	Phillips Investment Company		100.000000
Phillips Texas Pipeline Company, Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Pipe Line Company 1%	Gen Partner	100.000000
Phillips Transportation Alaska, Inc.	700 G Street, Anchorage, AK 99501	66 Pipe Line Company 99%	Ltd Partner	100.000000
Phillips Utility Gas Corporation	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	18,695	100.000000
Phillips-Imperial Petroleum Limited	35 Guildford Road, Woking Surrey GU22 7QT Engla	Seagas Pipeline Company	10	100.000000
Phillips-New Mexico Partners, L.P.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company United Kingdom Ltd	10,000 A	50.000000
Phillips-San Juan Partners, L.P.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Co(95%)		100.000000
Point Arguello Natural Gas Company	1250 Adams Building, Bartlesville, OK 74004	North Gillette Coal Co(5%)	Partnership	100.000000
Point Arguello Pipeline Company	PO Box 1967 Houston, TX 77251-1967	Phillips Petroleum Company	Mgr Partner	100.000000
Polar Independence, Inc.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company	Owner	26.31522
Polar LNG Shipping Corporation		The Largo Company	Partner	20.08928
Polar Tankers Spill Response Company		Polar Tankers, Inc.	10	100.000000
Polar Tankers, Inc.		Phillips Alaska Natural Gas Corporation (70%)	700	70.000000
		Marathon Oil Company (30%)	300	
		Polar Tankers, Inc.	100	100.000000
		Phillips Petroleum Company	100	100.000000

Phillips Petroleum Company
Direct and Indirect Subsidiaries and Affiliates
as of 01/31/2001

Company Name	Company Address	Parent Company Name	Shares Held	% Ownership
Prince William Sound Oil Spill Response Corporation	1250 Adams Building, Bartlesville, OK 74004	Phillips Alaska Pipeline Corporation	20,346	2.0346
Proteina Brasileira LTDA	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Company 99.89%	9290	
Seagay Pipeline Company	1250 Adams Building, Bartlesville, OK 74004	Directors 5@.022 = .11%	10	100.00000
		Phillips Petroleum Company	5,000	100.00000
Seaway Crude Pipeline Company	252 Adams Building, Bartlesville, OK	Phillips Gas Pipeline Company (34 Class B) Seagas Pipeline Co (66 Class B) (100% Class B) Arco Seaway, LLC (100 Class A)- Arco Operator	34 Class B 66 Class B 100 Class A	50.00000
Seaway Products Pipeline Company	252 Adams Building, Bartlesville, OK	Phillips Gas Pipeline Company (34 Class B) Seagas Pipeline Co (66 Class B) (100% Class B) BP Amoco 100% Class A & Operator	Partner	50.00000
Shanghai Golden Phillips Petrochemical Company Ltd.	1250 Adams Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Corporation	Partner	40.00000
Skelly-Beivieu Pipeline Company, L. L. C.	252-D Adams Building, Bartlesville, OK 74004	WestTex 66 Pipeline Company	Member	50.00000
Sooner Insurance Brokers Ltd.	FB Perry Bldg. Po Box HM 1995, Hamilton HN HX Bermuda	Sooner Insurance Company	12,000	100.00000
Sooner Insurance Company	3 C4 Phillips Building, Bartlesville, OK 74004	Phillips Petroleum Int'l Investment Company	100,000	100.00000
SouthTex 66 Pipeline Company, Ltd.	1250 Adams Building, Bartlesville, OK 74004	SouthTex Pipeline Holding Company		100.00000
Sweeny Coker Investor Sub, Inc.	1008 E. Ashley Wilson Rd., Sweeny TX 77480	Phillips Petroleum Company	10	100.00000
Sweeny Coker L.L.C.	1008 E. Ashley Wilson Rd., Sweeny TX 77480	Phillips Petroleum Company	Member	50.00000
Sweeny Funding Corp.	1008 E. Ashley Wilson Rd., Sweeny TX 77480	Mersey Sweeney, L.P.	1,000	100.00000
Sweeny Utility Pipeline Company	1008 E. Ashley Wilson Rd., Sweeny TX 77480	Phillips Utility Gas Corporation		100.00000
The Largo Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Pt. Arguello Production Company	1,000	100.00000
WestTex 66 Pipeline Company	1250 Adams Building, Bartlesville, OK 74004	Phillips Investment Company	100	100.00000
Wickham Point PTY LTD	Level 1, 28-42 Ventnor Ave, West Perth 6005 Waust	Phillips International Investments, Inc.	1	100.00000
			2	2

MASTER

APPLICATION FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LANDS

FORM APPROVED
OMB NO. 1004-0060
Expires: December 31, 2001

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY

Application Number

Date filed

1. Name and address of applicant (include zip code)

See Attachment 1.

2. Name, title, and address of authorized agent if different from Item 1 (include zip code)

3. TELEPHONE (area code)

Applicant

See Attachment 1.

Authorized Agent

4. As applicant are you? (check one)

- a. ☐ Individual See Attachment 1.
b. ☐ Corporation*
c. ☐ Partnership/Association*
d. ☐ State Government/State Agency
e. ☐ Local Government
f. ☐ Federal Agency

* If checked, complete supplemental page

5. Specify what application is for: (check one) See response on page 6.

- a. ☐ New authorization
b. ☒ Renewing existing authorization No.
c. ☐ Amend existing authorization No.
d. ☐ Assign existing authorization No.
e. ☐ Existing use for which no authorization has been received*
f. ☐ Other*

* If checked, provide details under Item 7

6. If an individual or partnership are you a citizen(s) of the United States? ☐ Yes ☐ No See response on page 6.

7. Project description (describe in detail): (a) Type of system or facility, (e.g., canal, pipeline, road); (b) related structures and facilities; (c) physical specifications length, width, grading, etc.; (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction (Attach additional sheets, if additional space is needed.)

- (a) Pipeline System, as defined generally in § 1.1.1.22 of Exhibit D to the January 23, 1974 Agreement and Grant of Right-of-Way for Trans-Alaska Pipeline ("Federal Grant");
(b) See generally Environmental Report for the Trans-Alaska Pipeline System Right-of-Way Renewal in Volume 3 ("Environmental Report") at §§ 2.1.1 and 4.2.1; Duration of Right-of-Way Renewal for the Trans-Alaska Pipeline System in Volume 2 ("Duration Report") at Appendix 4; Federal Line Lists in Volume 2 at Tab 1D- 1H;
(c) See generally Environmental Report at §§ 2.1.1 and 4.2.1 and Duration Report at Appendix 4;
(d) Renewal of authorizations for the maximum period allowed by law. See 30 U.S.C. § 185(n) and Duration Report generally;
(e) Year round;
(f) See generally Environmental Report at Appendices A and D (pps. D-1 through D-12);
(g) Not applicable;
(h) Not applicable.

See also Attachment 2.

8. Attach a map covering area and show location of project proposal See generally Attachment 2, Environmental Report at Appendix C and Federal Lists in Volume 2 at Tabs 1D-1H.

9. State or local government approval: ☐ Attached ☒ Applied for ☐ Not required

10. Nonreturnable application fee: ☐ Attached ☒ Not required

11. Does project cross international boundary or affect international waterways? ☐ Yes ☒ No (If "yes," indicate on map)

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

See response on page 6.

13a. Describe other reasonable alternative routes and modes considered.

Not applicable.

b. Why were these alternatives not selected?

Not applicable.

c. Give explanation as to why it is necessary to cross Federal Lands.

Existing TAPS facilities are located on and cross federal lands.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. (Specify number, date, code, or name)

See generally Federal and State Line Lists in Volume 2 at Tab 1.

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal (construction, operation, and maintenance); (b) estimated cost of next best alternative; and (c) expected public benefits.

See generally Environmental Report, including §§ 1.2; 3.3; 4.3.3, and Duration Report, including §§ 1; 3; 4; 8; and 9.

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

See generally Environmental Report §§ 3.3; 4.3.3; 4.5 and Duration Report § 8. Additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability. (a) See generally Environmental Report §§ 3.1.3; 4.3.1.3; 4.5; 4.8.2.3; (b) See generally Environmental Report §§ 3.1.3; 3.3.6.3; 4.3.1.3; 4.3.3.9; 4.5; (c) See generally Environmental Report §§ 3.1.1.6; 3.1.2.1; 4.2.1.3; 4.3.1.2; 4.5; 4.8.2.1; 4.8.2.2; (d) See generally Environmental Report §§ 3.1.1.6; 4.2.1.3; 4.3.1.2; 4.3.2.2; 4.5; (e) See generally Environmental Report §§ 3.1.3; 4.3.1.3; 4.5; (f) See generally Environmental Report §§ 3.1.1; 4.1.1; 4.2.1.1; 4.2.1.2; 4.3.1.1; 4.3.2.2; 4.5. (See continuation on page 6.)

18. Describe the probable effects that the proposed project will have on (a) populations of fish, plantlife, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals. (a) See generally Environmental Report §§ 3.2; 4.3.2; 4.5; 4.8.3; (b) See generally Environmental Report §§ 3.2.6; 3.3.3; 4.3.2; 4.3.3.3; 4.5; 4.8.3.4; 4.8.4.4. In both cases additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

19. State whether any hazardous material, as defined in this paragraph, will be used, produced, transported or stored on or within the right-of-way or any of the right-of-way facilities, or used in the construction, operation, maintenance or termination of the right-of-way or any of its facilities. "Hazardous material" means any substance, pollutant or contaminant that is listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations. The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act of 1976 (RCRA), as amended, 42 U.S.C. 9601 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof that is not otherwise specifically listed or designated as a hazardous substance under CERCLA Section 101(14), 42 U.S.C. 9601(14), nor does the term include natural gas.

See response on page 6.

20. Name all the Department(s)/Agency(ies) where this application is being filed.

The original application is being filed with the Bureau of Land Management.

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant

See Attachment 3.

Date

See Attachment 3.

Title 18, U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS
AND FACILITIES ON FEDERAL LANDS

GENERAL INFORMATION
ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.
2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.
3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.
4. Systems for the transmission and distribution of electric energy.
5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.
6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.
7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application **must** be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

Department of Agriculture
Regional Forester, Forest Service (USFS)
Federal Office Building, P.O. Box 21628
Juneau, Alaska 99802-1628
Telephone: (907) 586-7847 (or a local Forest Service Office)

Department of the Interior
Bureau of Indian Affairs (BIA)
Juneau Area Office
9109 Mendenhall Mall Road, Suite 5, Federal Building Annex
Juneau, Alaska 99802
Telephone: (907) 586-7177

Bureau of Land Management (BLM)
222 West 7th Ave., Box 13
Anchorage, Alaska 99513-7599
Telephone: (907) 271-5477 (or a local BLM Office)

National Park Service (NPS)
Alaska Regional Office 2525 Gambell St., Rm. 107
Anchorage, Alaska 99503-2892
Telephone: (907) 257-2585

U.S. Fish & Wildlife Service (FWS)
Office of the Regional Director
1011 East Tudor Road
Anchorage, Alaska 99503
Telephone: (907) 786-3440

Note-Filings with any Interior agency may be filed with any office noted above or with the: Office of the Secretary of the Interior, Regional Environmental Officer, Box 120, 1675 C Street, Anchorage, Alaska 99513.

Department of Transportation
Federal Aviation Administration
Alaska Region AAL-4, 222 West 7th Ave., Box 14
Anchorage, Alaska 99513-7587
Telephone: (907) 271-5285

NOTE - The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

SPECIFIC INSTRUCTIONS
(Items not listed are self-explanatory)

Item

- 7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.
 - 8 Generally, the map **must** show the section(s), township(s), and range(s) within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.
 - 9, 10, and 12 - The responsible agency will provide additional instructions.
 - 13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.
 - 14 The responsible agency will provide instructions.
 - 15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.
 - 16 through 19 - Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use a sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, **do not** address this subject. The responsible agency will provide additional instructions.
- Application must be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item."

SUPPLEMENTAL

NOTE: The responsible agency(ies) will provide additional instructions		CHECK APPROPRIATE BLOCK	
I - PRIVATE CORPORATIONS <small>See response on page 6.</small>		ATTACHED	FILED*
a. Articles of Incorporation		<input type="checkbox"/>	<input type="checkbox"/>
b. Corporation Bylaws		<input type="checkbox"/>	<input type="checkbox"/>
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State.		<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing		<input type="checkbox"/>	<input type="checkbox"/>
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.		<input type="checkbox"/>	<input type="checkbox"/>
previous applications.		<input type="checkbox"/>	<input type="checkbox"/>
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.		<input type="checkbox"/>	<input type="checkbox"/>
II- PUBLIC CORPORATIONS			
a. Copy of law forming corporation		<input type="checkbox"/>	<input type="checkbox"/>
b. Proof of organization		<input type="checkbox"/>	<input type="checkbox"/>
c. Copy of Bylaws		<input type="checkbox"/>	<input type="checkbox"/>
d. Copy of resolution authorizing filing		<input type="checkbox"/>	<input type="checkbox"/>
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.		<input type="checkbox"/>	<input type="checkbox"/>
III - PARTNERSHIP OR OTHER UNINCORPORATED ENTITY			
a. Articles of association, if any		<input type="checkbox"/>	<input type="checkbox"/>
b. If one partner is authorized to sign, resolution authorizing action is		<input type="checkbox"/>	<input type="checkbox"/>
c. Name and address of each participant, partner, association, or other		<input type="checkbox"/>	<input type="checkbox"/>
d. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.		<input type="checkbox"/>	<input type="checkbox"/>

* If the required information is already filed with the agency processing this application and is current, check block entitled "Filed." Provide the file identification information (e.g., number, date, code, name). If not on file or current, attach the requested information.

<p align="center">DATA COLLECTION STATEMENT</p> <p>The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certifications for the use of Federal lands. Federal agencies use this information to evaluate your proposal. No Federal agency may request or sponsor, and you are not required to respond to a request for information which does not contain a currently valid OMB Approval Number.</p> <p align="center">BURDEN HOURS STATEMENT</p> <p>The public burden for this form is estimated to vary from 30 minutes to 25 hours per response, with an average of 2 hours per response, including the time for</p>		<p>reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management, Information Clearance Officer (W0-630), 1849 C Street, Mail Stop 401LS, Washington, D.C. 20240</p> <p>A reproducible copy of this form may be obtained from the Bureau of Land Management, Division of Lands, 1620 L Street, Rm. 1000LS, Washington, D.C. 20036.</p>
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NOTICE

NOTE: This applies to the Department of the Interior/Bureau of Land Management (BLM).

The Privacy Act of 1974 provides that you be furnished with the following information in connection with the information provided by this application for an authorization.

AUTHORITY: 16 U.S.C. 310 and 5 U.S.C. 301.

PRINCIPAL PURPOSE: The primary uses of the records are to facilitate the (1) processing of claims or applications; (2) recordation of adjudicative actions; and (3) indexing of documentation in case files supporting administrative actions.

ROUTINE USES: BLM and the Department of the Interior (DOI) may disclose your information on this form: (1) to appropriate Federal agencies when concurrence or supporting information is required prior to granting or acquiring a right or interest in lands or resources; (2) to members or the public who have a need for the information that is maintained by BLM for public record; (3) to the U.S. Department of Justice, court, or other adjudicative body when DOI determines the information is necessary and relevant to litigation; (4) to appropriate Federal, State, local, or foreign agencies responsible for investigating prosecuting violation, enforcing, or implementing this statute, regulation, or order; and (5) to a congressional of lice when you request the assistance of the Member of Congress in writing.

EFFECT OF NOT PROVIDING THE INFORMATION: Disclosing this information is necessary to receive or maintain a benefit. Not disclosing it may result in rejecting the application.

**MASTER APPLICATION
FOR TRANSPORTATION AND
UTILITY SYSTEMS AND FACILITIES
ON FEDERAL LAND**

For the Trans-Alaska Pipeline System

Continuation of Item #5: Renewal on the same terms of each Applicant's undivided interest in existing authorizations for the Trans-Alaska Pipeline System ("TAPS"), including, but not limited to, F-12505, AA-5847, F-21770, and other authorizations identified on the Federal Line Lists in Volume 2 at Tab 1D -1H.

Continuation of Item #s 6, 12 and Supplemental Items on page 4: Each Applicant identified in response to Item 1 above (individually "Applicant" and collectively "Applicants") separately responds to this item in its respective SUPPLEMENTAL APPLICATION at Volume 1 of 3 (individually "SUPPLEMENTAL APPLICATION" and collectively "SUPPLEMENTAL APPLICATIONS"). Further, nothing in this MASTER APPLICATION should be interpreted or construed as having the effect or implication of any Applicant making any statement, representation or certification as to the accuracy or completeness of any other Applicant's response to this item.

Continuation of Item #17: In all cases additional information may be found in studies and reports that bear on TAPS, such as those identified in the Environmental Report at Section 8 and 43 U.S.C. § 1651(b), and the 1972 Environmental Impact Statement (6 vols.) that preceded the execution of the Federal Grant.

Continuation of Item #19: TAPS does not engage in the use, production, transportation or storage of hazardous materials as part of TAPS' purpose. TAPS operates to transport crude oil, and crude oil is not a hazardous material as defined in this question. Hazardous materials are only present on TAPS incidentally in support of the operation and maintenance of TAPS. All hazardous materials are managed under state and federal law. Those occurrences are described categorically below. Also see Environmental Report § 3.1.1.5.

Hazardous Material Use. Chemical products may be "hazardous materials" or may include components that are hazardous materials. These products are used for TAPS operations and maintenance. Any list of hazardous materials would be only temporarily accurate because product use on TAPS varies continuously. Therefore, they are listed here categorically: paints and associated products; pipe coating chemicals; equipment repair and lubrication products, cleaners, and antifreeze chemicals; adhesives, epoxies and sealants; corrosion inhibitors; fire fighting chemicals; laboratory chemicals used for crude oil analysis; herbicides, pesticides and insecticides (used with the approval of the Authorized Officer); photographic chemicals; and batteries. This list provides a description of TAPS hazardous material use, but is not intended to be comprehensive

chemical by chemical. That detailed information may be obtained from Alyeska's OSHA MSDS (hazardous communication) program and the annual SARA Title III reports submitted to EPA.

Hazardous Material Production. TAPS does not produce hazardous materials.

Hazardous Material Transportation. Chemical product hazardous materials, described above, are transported on and off TAPS facilities utilizing the procedure established under state and federal law. The U.S. DOT has strict requirements for the transportation of chemical products, under 49 CFR Parts 172- 177, 350-399. Hazardous wastes also must comply with the same U.S. DOT transportation requirements. In place is an extensive hazardous material transportation plan that covers both chemical product and hazardous waste transportation on and off TAPS facilities. Bills of lading are used to track the transportation of chemical products. In addition, there are EPA hazardous waste manifests for transported hazardous wastes. The list of hazardous materials transported on and off TAPS facilities would be composed of those hazardous materials listed above under Hazardous Material Use and below under Hazardous Material Storage.

Hazardous Material Storage. The list of hazardous materials stored is the same as the list of hazardous materials used on TAPS facilities, except for waste storage. Where required or appropriate, chemical products are stored within secondary containment. Hazardous wastes that are generated at a TAPS facility are stored utilizing EPA requirements for hazardous waste generators. The hazardous waste categories are predominantly chemical products that have completed their use: paints and associated products; equipment repair and lubrication products, and parts cleaners; adhesives, epoxies and sealants; laboratory chemicals used for crude oil analysis; herbicides, pesticides and insecticides (used with the approval of the Authorized Officer); photographic chemicals; and batteries. Tank and pipe cleaning sludges are a non-product waste stream that contributes to this list. These wastes are only temporarily stored at a facility, in accordance with EPA regulations. During storage they are monitored, in accordance with EPA regulations, and they are transported off the facilities and disposed of at EPA permitted facilities. A listing of hazardous wastes stored at a TAPS facility for any one-year period can be found in the annual RCRA report submitted to EPA.

ATTACHMENT 1

A. Applicants for renewal of their undivided interests in existing authorizations for TAPS are the following corporations:

1. Amerada Hess Pipeline Corporation
One Allen Center
500 Dallas Street, Level 2
Houston, Texas 77002

Authorized Officer:
Donald C. Lutken, Jr.
President and Chief Executive Officer

Telephone: (713) 609-4000

2. BP Pipelines (Alaska) Inc.
900 E. Benson Blvd., MB 11-5
Anchorage, AK 99508

Authorized Officer:
Albert N. Bolea
President

Telephone: (907) 564-5757

3. ExxonMobil Pipeline Company
800 Bell Street
Houston, TX 77002

Authorized Officer:
Richard A. Rabinow
President

Telephone: (713) 656-5056

4. Phillips Transportation Alaska, Inc.
700 G Street
Anchorage, AK 99501

Authorized Officer:
Margaret A. Yaeger
President

Telephone: (907) 263-3710

5. Unocal Pipeline Company
14141 Southwest Freeway
Sugar Land, TX 77478

Authorized Officer:
Joseph M. Monroe
President

Telephone: (281) 287-7775

6. Williams Alaska Pipeline Company, L.L.C.
1 Williams Center 720A
Tulsa, OK 74172

Authorized Officer:
Michael N. Mears
Vice President

Telephone: (918) 573-3211

- B. The Applicants (i) own, in undivided interests, the entirety of the authorizations for which renewal is sought as are identified in the Federal Line Lists in Volume 2 at Tab 1D-1H and (ii) operate TAPS through Alyeska Pipeline Service Company ("Alyeska"). The operating agreement among the Owners and other information pertaining to Alyeska appears in file AA-5722 in the Bureau of Land Management's Alaska State Office.

ATTACHMENT 2

A. MAINLINE AND FUEL GAS LINE

SERIAL NUMBER	TYPE OF SYSTEM OR FACILITY	MAP SHEET NO.*
F-12505/AA-5847	Crude oil pipeline and other facilities	2/3/4/5/6/7/8/9/10/ 11/12/13/14/15/16/ 18/19/20/21/22/23/ 24/25
F-21770	Fuel gas pipeline and other facilities	2/3/4/5

* References in the MAP SHEET NO. column are to maps at Appendix C of the Environmental Report, Volume 3 of 3.

B. ACCESS ROADS

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
F 20780	118-APL-1	118-APL/AMS-1	5
F 21586	116-APL-1	116-APL/AMS-1	5
F 22386	116-APL-6		5
F 20776	115-APL-1		5
F 21585	115-APL-3	115-APL/AMS-3	5
F 20719	114-APL-1	114-APL/AMS-1	5/6
F 21656	114-APL-2B		5/6
FF 088221	Atigun Boat Ramp	114-APL/AMS-2C	5/6
F 21465	114-APL-3		5/6
F 21467	114A-APL-5	114-APL-5	5/6
F 20717	113-APL-1		6
FF 088197	113-APL/AMS-2	113-APL-2	6
F 20715	112-APL-1		6

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
FF 088195	112-AMS-2	112-APL-2	6
F 21727	112-APL-3A		6
FF 088193	112-APL-4B		6
F 20714	111-APL-3	111-APL/AMS-3	6
F 21583	110-APL-1		6
F 21617	110-APL-1B		6
F 20713	110-APL-2		6
F 21653	109-APL-1A		6/7
F 21535	109-APL-3A		6
FF 088194	108-APL-1		7
FF 088223	108-APL-1A		7
FF 088485	108-APL-5		7
F 20707	108-APL-6		7
F 21640	108-APL-7	108-APL/AMS-7	7
	Remote Gate Valve ("RGV") 33 Access	JPO Letter No. 94-082-M	7
F 64648	108-APL-8		7
F 21623	107-APL-1A	107-APL/AMS-1A	7
F 64647	107-APL-2A		7
F 20699	107-APL-3		7
FF 088192	107-APL/AMS-4		7
F 21618	106-APL-1A	106-APL/AMS-1A	7
F 64646	106-APL-2B	106-APL/AMS-2B	7

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
F 21652	105-APL-1A	105-APL/AMS-1A	7
F 20692	105-APL-2		7
F 20693	105-APL-3		7
F 20694	105-APL-4		7
FF 088220	104-APL-0		7/8
FF 088218	104-APL-1		7
F 21429	104-APL-1A		7
F 20688	104-APL-3		7
F 21638	103-APL-1A	103-APL/AMS-1A	8
FF 84277	103-APL-3		7/8
FF 088191	103-APL-3A		7/8
F 20683	103-APL-4		7/8
F 20675	102-APL-1		8
F 20676	102-APL-2		8
FF 088222	Pipeline Mile Post ("PLMP") 216.3	102-APL-2A	8
F 20677	102-APL-3	102-APL/AMS-3	8
FF 088190	102-APL-3A	102-AMS-3A	8
F 20678	102-APL-4		8
F 20679	102-APL-5		8
F 20671	101-APL-1		8
FF 088187	101-APL-1A		8
FF 088188	101-APL-1B	101-AMS-1B	8

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
FF 088189	101-APL-2	101-APL/AMS-2	8
F 20673	101-APL-3		8
FF 87266	101-APL/AMS-4		8
F 20668	100-APL-2	100-APL/AMS-2	8
F 20669	100-APL-2A		8
F 20665	99-APL-3		8
F 20666	99-APL-4	99-APL/AMS-4	8
F 20656	97-APL-1	97-APL/AMS-1	9
F 20657	97-APL-3	97-APL/AMS-3	9
F 21763	97-APL-5		9
F 20653	96-APL-1	96-APL/AMS-1	9
F 20654	96-APL-2A		9
F 64645	96-APL-3		9
F 22978	95-APL-4A		9
F 20652	95-APL-5	95-APL/AMS-5	9
F 21553	94-APL-1A	94-APL/AMS-1A	9
F 21570	93-APL-1	93-APL/AMS-1	9
F 20645	93-APL-2	93-APL/AMS-2	9
F 21551	93-APL-4		9
F 21552	92-APL-0		9/10
F 20637	92-APL-1	92-APL/AMS-1	9
F 20638	92-APL-2	92-APL/AMS-2	9

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
F 20640	92-APL-4		9
F 20642	92-APL-6	92-APL/AMS-6	9
F 20633	91-APL-1	91-APL/AMS-1	10
F 22365	91-APL-1B		10
F 21693	91-APL-3	91-APL/AMS-3	9/10
FF 088186	90-APL/AMS-1	90-APL-1	10
FF 81337	90-APL-2		10
F 21568	90-APL-4A	90-APL/AMS-4A	10
F 20625	89-APL-1	89-APL/AMS-1	10
F 20627	89-APL-3		10
F 20628	89-APL-4	89-APL/AMS-4	10
F 20773	89-APL-6		10
F 20623	88-APL-1	88-APL/AMS-1	10
F 21567	88-APL-2	88-APL/AMS-2	10
F 20622	87-APL-2		10
F 21582	87-APL-3B	87-APL/AMS-3B	10
F 21549	87-APL-4		10
F 20615	86-APL-1		10/11
F 20616	86-APL-2		10/11
F 20618	86-APL-3A	86-APL/AMS-3A	10
FF 088184	86-APL-4		10
FF 088185	86-APL-4A		10

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
FF 088219	86-APL-4B		10
F 20621	86-APL-5	86-APL/AMS-5	10
F 20613	85-APL-1	85-APL/AMS-1	11
F 64644	85-APL-3		10/11
F 20610	84-APL-1		11
F 20611	84-APL-2		11
F 20608	83-APL-2	83-APL/AMS-2	11
F 20609	83-APL-3	83-APL/AMS-3	11
F 20606	82-APL-2	82-APL/AMS-2	11
F 21565	81-APL-1B		11
F 20604	81-APL-3	81-APL/AMS-3	11
F 20605	81-APL-4		11
F 20600	80-APL-2		12
F 21581	80-APL-2A		11/12
F 21546	80-APL-3A	80-APL/AMS-3A	11/12
F 20596	79-APL-1	79-APL/AMS-1	12
F 20597	79-APL-2	79-APL/AMS-2	12
F 20598	79-APL-3		12
F 20594	78-APL-1		12
F 64643	78-APL-1A		12
F 20595	78-APL-3	78-APL/AMS-3	12
F 20564	62-APL-1		15

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
F 21650	57-APL-3		16
F 21740	56-APL-3		16
F 20557	45-APL-3		18
F 21591	45-APL-4		18
F 20553	44-APL-3		18
F 20554	44-APL-5		18
F 20542	40-APL-1	40-APL/AMS-1	19
F 20545	40-APL-4	40-APL/AMS-4	19
F 20535	39-APL-1	39-APL/AMS-1	19
F 20536	39-APL-2		19
F 21759	39-APL-4	39-APL/AMS-4	19
F 20541	39-APL-7		19
F 20534	38-APL-9		19
F 20532	38-APL-7		19
F 21756	38-APL-1A		19
F 20530	38-APL-5		19
AA 8857	37-APL-2		19
AA 37894	37-APL-3		19
F 20526	37-APL-4		19
AA 8855	37-APL-1		19
AA 8853	36-APL-1A		20
AA 9213	35-APL-6	35-APL/AMS-6	20

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
AA 8854	36A-APL-1		19/20
AA 8851	31-APL-1		20/21
AA 8871	31-APL-3		20
AA 8870	30-APL-1		21
AA 9198	29-APL-1		21
AA 8848	28-APL-1	28-APL/AMS-1	21
AA 8849	28-APL-1C		21
AA 11185	27-APL/AMR-3	27 APL-3	21
AA 8866	26-APL-2	26-APL/AMS-2	21
AA 8867	26-APL/AMR-3	26-APL-3	21
AA 9189	23-APL-1A		22
AA 8863	22-APL-1		22
AA 8862	20-APL-1		21
AA 9166	19-APL-3		23
AA 8845	19-APL-1		23
AA 8843	17-APL-7		23
AA 8842	17-APL-5		23
AA 8840	17-APL-3		23
AA-8838	16-APL-1		23
AA-9462	14-APL-4		23/24
AA 8829	12-APL-1		24
AA 8827	11-APL-1		24

ATTACHMENT 2

SERIAL NO.	ACCESS ROAD NO.	ALSO KNOWN AS	MAP SHEET NO.*
AA 37895	10-APL-0		24
AA 8825	10-APL-3		24
AA 8820	9-APL-2		24
AA 9602	9-APL-3A		24
AA 075690	9-APL-3B	9-AMS-3B	24
AA 8822	9-APL-4	9-APL/AMS-4	24
AA 9589	8-APL-1		24
AA 8817	8-APL-2		24
AA 77244	6-APL-5		25

* References in the MAP SHEET NO. column are to maps at Appendix C of the Environmental Report, Volume 3 of 3.

C. MISCELLANEOUS RIGHTS

SERIAL NUMBER	TYPE OF SYSTEM OR FACILITY	MAP SHEET NO.*
F-84966	Power and communication line and other facilities	9/10 Also see plat(s) at Tab 1H of Volume 2 of 3
AA-31239	Communication site and access road	21 Also see plat(s) at Tab 1H of Volume 2 of 3

* Except as otherwise noted, references in the MAP SHEET NO. column are to maps at Appendix C of the Environmental Report, Volume 3 of 3.

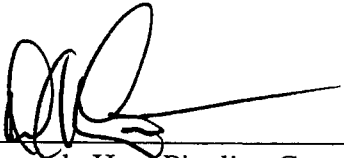
D. CONTAINMENT SITES

Rights to containment sites established under the June 14, 1991 Memorandum of Understanding between the Bureau of Land Management and Alyeska Pipeline Service Company, as agent for the TAPS Owners. Maps reflecting the location of the subject containment sites are a part of the Trans-Alaska Pipeline System Pipeline Oil Discharge Prevention and Contingency Plan, approved on November 30, 1998 and last revised on November 17, 2000, on file in the Bureau of Land Management's Alaska State Office.

ATTACHMENT 3

This MASTER APPLICATION is executed in multiple counterparts, with each counterpart being an original, and all counterparts together constituting the Master Application.

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.



Amerada Hess Pipeline Corporation *ACS*

Date: APR 30 2001

BP Pipelines (Alaska) Inc.

Date: _____

ExxonMobil Pipeline Company

Date: _____

Phillips Transportation Alaska, Inc.

Date: _____

Unocal Pipeline Company

Date: _____

Williams Alaska Pipeline Company, L.L.C.

Date: _____

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States, any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

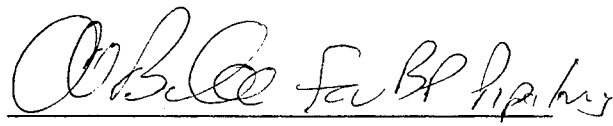
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Amerada Hess Pipeline Corporation

Date: _____



BP Pipelines (Alaska) Inc.

Date: APR 30 2001

ExxonMobil Pipeline Company

Date: _____

Phillips Transportation Alaska, Inc.

Date: _____

Unocal Pipeline Company

Date: _____

Williams Alaska Pipeline Company, L.L.C.

Date: _____

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BP Pipelines (Alaska) Inc.

Date: _____



ExxonMobil Pipeline Company

Date: APR 30 2001

Phillips Transportation Alaska, Inc.

Date: _____

Unocal Pipeline Company

Date: _____

Williams Alaska Pipeline Company, L.L.C.

Date: _____

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Amerada Hess Pipeline Corporation

Date: _____

BP Pipelines (Alaska) Inc.

Date: _____

ExxonMobil Pipeline Company

Date: _____

Margaret A. Yager
Phillips Transportation Alaska, Inc.

Date: APR 30 2001

Unocal Pipeline Company

Date: _____

Williams Alaska Pipeline Company, L.L.C.

Date: _____

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Amerada Hess Pipeline Corporation

Date: _____

BP Pipelines (Alaska) Inc.

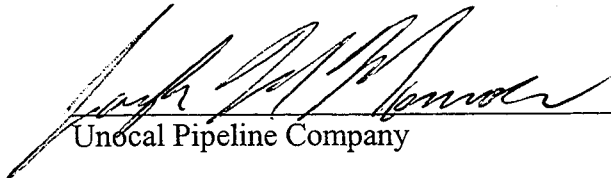
Date: _____

ExxonMobil Pipeline Company

Date: _____

Phillips Transportation Alaska, Inc.

Date: _____


Unocal Pipeline Company

APR 30 2001

Date: _____

Williams Alaska Pipeline Company, L.L.C.

Date: _____

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Amerada Hess Pipeline Corporation

Date: _____

BP Pipelines (Alaska) Inc.

Date: _____

ExxonMobil Pipeline Company

Date: _____

Phillips Transportation Alaska, Inc.

Date: _____

Unocal Pipeline Company

Date: _____

Michael Means
Williams Alaska Pipeline Company, L.L.C.

Date: **APR 30 2001**

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REVISIONS

**APPLICATION
OF
PHILLIPS TRANSPORTATION ALASKA, INC.
FOR RENEWAL OF THE TRANS-ALASKA
PIPELINE SYSTEM ON STATE LANDS
STATE VOLUME 1-PT OF 3
REVISION LOG**

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